

FBIS**DAILY REPORT**
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BORDER RAILWAY PROTOCOL SIGNED WITH USSR, MONGOLIA

OW061456 Beijing XINHUA in English 1439 GMT 6 Jul 87

[Text] Beijing, July 6 (XINHUA) -- China, Mongolia and the Soviet Union have signed the 1987 protocol on border railway transportation after consultations, a spokesman for the Chinese Ministry of Railways said here today. He told XINHUA that the three sides held a meeting to discuss border railway transportation in Irkutsk City in the Soviet Union from June 26 through July 3. At the same time, China and Mongolia concluded the 1987 protocol on the establishment of a joint border railway transportation committee.

UN OFFICIAL PRAISES PRC POPULATION POLICY

OW030934 Beijing XINHUA in English 0603 GMT 3 Jul 87

[Text] United Nations, July 2 (XINHUA) -- China has the "best-organized family planning program" in the world, a high U.N. official said in a recent interview with XINHUA. Dr. Nafis Sadik, executive director of the United Nations Fund for Population Activities (UNFPA), said China's experience in family planning is "a good recipe for success." Her interview is to be published in the introductory issue of the China Family Planning Journal, in Beijing tomorrow. The population program should be integrated with other social programs like education, health services and improving the role and status of women, Dr. Sadik said.

Commenting on reports by some western media depicting China's population policy as "coercive" and leading to female infanticide, she said such reports were incorrect. "The fact that all the information these people collected were from Chinese sources and newspapers means that the Chinese Government was itself concerned about these factors, otherwise they would not have published them," she said. She said "it was clear, the government does not have a coercive policy. The government was obviously against infanticide." If some isolated incidents did indeed occur, she noted, the Chinese Government was already taking steps to prevent it, and is taking steps against the perpetrators.

But some western media depicted such incidents as China's policy, which is of course incorrect, just as saying murders are allowed in the United States because they take place and are reported in the news, she said. Even the U.S. Government, after thorough examination of UNFPA involvement in China's population program, concluded there is no truth to reported coercive practices in China, she added.

"The Chinese Government on many occasions has stated that its population policy is voluntary, and the people respect the policy as in need in the country," she said.

OFFICIALS MEET UNICEF DIRECTOR JAMES GRANT

Li Peng Meets Director

OW031556 Beijing XINHUA in English 1435 GMT 3 Jul 87

[Text] Beijing, July 3 (XINHUA) -- Chinese Vice-Premier Li Peng conferred for 70 minutes here today with James Grant, executive director of the United Nations Children Fund (UNICEF), on ways and means for further improving child care and education in China.

Li thanked UNICEF and Mr. Grant for their active support to China's efforts in this regard.

Mr. Grant, Mrs. Grant and other UNICEF officials arrived here yesterday to examine the implementation of cooperation project between UNICEF and China in 1985-1989 and discuss new cooperation project for the next period. Earlier today the UNICEF officials held discussions with Chinese Foreign Economic Relations and Trade Minister Zheng Tuobin, who hosted a dinner tonight in honour of the visitors.

Li Xiannian Meets Director

OWO41020 Beijing XINHUA in English 0942 GMT 4 Jul 87

[Text] Beijing, July 4 (XINHUA) -- Chinese President Li Xiannian told the United Nations Children Fund (UNICEF) Executive Director James Grant that China pays special attention to the healthy growing and education of children because they are the nation's future "pillar."

Grant and his colleagues arrived here Thursday to acquaint themselves with the progress that has been made in implementing China-UNICEF cooperation program.

In the hour-long discussion on ways and means of caring for and educating children, Li said that it has become a great task to ensure the children's healthy growth and help educate them into a new generation with lofty ideals, scientific and cultural knowledge and a high sense of discipline.

"That is why we call on the whole society to give the highest respect to the teachers, doctors and nurses," Li added.

Speaking of the importance of China's family planning, Li said that the government's "one couple, one child" policy is aimed at fewer but better births and still improved education for children.

To fully implement the policy, a lot of work needs to be done, particularly in the economically backward and out-of-the way areas, Li said.

Grant told Li that UNICEF is engaged in a worldwide drive to immunize as many children as possible from six deadly diseases. He and his colleagues have come to China to see how China has been implementing the children's immunization program drawn by its government, he added.

If the program is realized, Grant said, China will play a leading role in this global drive.

Li asked Grant to make a thorough inspection and criticize any units or responsible individuals who are found inactive in carrying out the government program.

Li Xiannian praised UNICEF and Grant himself for having done a great deal of useful work in aiding China's child care endeavours.

"All Chinese welcome you, because you have long been working for the benefits of their children," Li said.

CHINA DAILY ANSWERS U.S. HUMAN RIGHTS 'SMEAR'

HK060530 Beijing CHINA DAILY in English 6 Jul 87 p 4

[By Wang Gangyi]

[Text] Once again, a few members of the House of Representatives of the United States have picked up human rights issue as a convenient tool to smear social and political progress in China.

On June 18, the U.S. House of Representatives approved, among others, two amendments on the "Human rights in the People's Republic of China" and "Human rights violations in Tibet by the People's Republic of China."

The first document accuses the Chinese Government of disrespecting "the constitutional guarantees of freedom of speech, press and peaceful assembly" and asserts that "the exercise of religious activities has a detrimental effect on a participant's civil, social and economic status" within the country.

The second document states that "China imposed its rule over Tibet through military force in 1949, and continues to exercise dominion over the Tibetan people through the presence of a large occupation force."

It also says that "Tibetans and others are concerned about the political, cultural and economic implications of the policy of the Chinese Government of encouraging large numbers of Chinese to move to Tibet."

Accusing the Chinese Government of human rights violations has recently become an annual habit of some people in the U.S. Congress. But this time these people have gone so far in distorting the realities in China that they have aroused strong resentment and indignation among the Chinese people, especially Tibetans and those from the religious circles.

"The amendment called human rights in China has greatly hurt the feelings of 3.8 million Roman Catholics in the country," said Anthony Liu, assistant secretary of the Administrative Commission of the Roman Catholic Church in China.

The fact, he said, is that Catholics in China are enjoying unprecedented freedom of religion and it was in the old China when the Catholic Church was under the control of big Western powers that Catholics in the country were deprived of their basic rights.

"At that time," he noted, "Catholic churches in China were controlled respectively in the hands" of missionaries from other countries.

"Chinese bishops had little freedom in their religious activities and they were looked down upon and maltreated even by ordinary foreign priests," he said.

"It was only after the People's Republic was founded in 1949 that Catholics in China regained their dignity and basic rights," he added.

Last October, Liu visited the United States as a member of a Chinese Catholic delegation. "During the trip," he said, "I visited old friends and made new ones among American Catholics who expressed unanimous appreciation to social and economic achievements in New China and we prayed together for God's blessing for China's prosperity."

Ven Jing Hui, vice-director of the Research Institute of the Buddhism Culture of China, told CHINA DAILY that he was not going to challenge the motives of those people who have initiated the two amendments.

"But these people," he said, "have apparently made the accusation without careful investigation of China's current situation and based on misleading information."

"It is a fact that during the 'Cultural Revolution' (1966-1976), religious people in China underwent wide-spread suppression. But they were not the only people who suffered," he noted. "As a matter of fact, few people in this country escaped this social catastrophe," he added.

He said that the important thing is the "Cultural Revolution" has become something of the past and the situation has fundamentally changed. Religious activities are protected by the government and the number of people who believe in Buddhism has boosted to about four million, another proof that the Chinese people are enjoying unprecedented ample freedom of religious belief, he pointed out.

"By making such false allegations, these people in the U.S. House of Representatives have have shown their ignorance of the reality in China today, to say the least," he concluded.

Joseph Shi, a Christian from a middle school in Shijingshan District, Beijing, told CHINA DAILY that everybody in the school knows that he and his family members are Christian and regular church goers.

"But during the past eight years, our religious belief has never had a detrimental effect on our civil, social and economic status in our work units as claimed in the amendment," he said.

"To tell the truth," he added, "I and my daughter have been rewarded and honoured by the government annually since 1981 for our outstanding work performance and last year I was elected a member of the Standing Committee of the People's Political Consultative Conference in Shijingshan District."

The two amendments have also drawn strong reaction from Tibetans, including high-ranking Tibetan officials who expressed unanimous indignation.

During a discussion recently held in Beijing, they said by adopting the two amendments, the U.S. House of Representatives have hurt the feelings of the Tibetan people and showed its contempt of history.

Lhalu Cewangdoji, a kaloon (highest official rank) of a former Tibetan local government and now vice chairman of the Chinese People's Political Consultative Conference (CPPCC) regional committee, said, "Tibet is an inseparable part of the Chinese territory and nobody can deny this fact."

He said he once participated in the rebellion in 1959 opposing democratic reform in Tibet. But, the fact was that the Tibetan people strongly opposed the system of serfdom.

After Tibet's peaceful liberation, Lhalu said the Tibetan people have not just become their own masters politically, but also achieved enormous changes economically.

He quoted the following facts:

-- Of the 16 officials working for the Tibetan autonomous regional government and regional committee of the Chinese Communist Party 12 are Tibetans or other minority nationality.

-- The per capita income of the Tibetan people has increased to 343 yuan last year, compared with 218 yuan in 1979.

-- From 1952 to 1986, the central government has given financial aid worth 9.8 billion yuan to assist social and economic development in Tibet.

-- The central government has carried out a series of special economic and financial policies in the region including exemption of taxes.

Lhalu said that another sign marking economic development and the improved life of Tibetan people is the increase in Tibetan population. Statistics show that the Tibetan population has increased to today's two million from the 1.2 million in 1959.

Samding Doji, the only female living Buddha in Tibet and now vice chairman of the regional people's congress admitted that Buddhist temples were damaged during the "cultural revolution." But the central authorities have corrected this mistake and earmarked 24 million yuan since 1980 for temple renovations, she said.

To date, Tibet has renovated and is renovating more than 200 lamaseries and 700 smaller temples, she said. Besides, a Buddhist theological institute has been established in Tibet, she added.

Tenzin Jyatso, vice chairman of the region's CPPCC Standing Committee, told CHINA DAILY that there is no such a policy of the central government to encourage large numbers of people to move to Tibet from inland areas.

He said that the fact is the central government has only sent in professional people and construction workers to complete projects in the fields of education, energy, transportation, culture and service trades. Once the projects are completed, they would return to their hometowns.

As far as we Tibetans are concerned, he continued, we would like these people to stay in Tibet, especially the professionals such as technicians, teachers, doctors and management personnel because we need them for our own social and economic benefit.

"I am a Tibetan as well as a Chinese. As a Tibetan, I would never tolerate Tibet to return to the serfdom system and as a Chinese, I sincerely support the leadership and current policies of the central government," he said.

"If the people who initiated the two amendments really think they represent true democracy and care for basic human rights in other countries, they should first learn to stand up to history and respect cultural values of other peoples and never try to judge other countries by their own ideology," he said.

U.S. LAGS BEHIND IN PROMOTING TECHNOLOGY EXPORTS

OWO21812 Beijing XINHUA in English 1801 GMT 2 Jul 87

[Text] Washington, July 2 (XINHUA) -- The U.S. Government is lagging behind other countries in promoting exports to China, according to a congressional report released today.

The report, "Technology Transfer to China", from the Congressional Office of Technology Assessment, said U.S. trade with China is not meeting expectations. Japan exported three times as much to China in 1986, and the Western European nations collectively exceed the U.S. level, it said.

China's increasing role in the international economy, as the process of modernization takes hold, can mean big business for the United States, the report added. China is seeking new technology to raise manufacturing standards, to alleviate energy shortages and compensate for inadequate transportation and communications, it said.

Technology transfer does pose some political and commercial risks along with the benefits, but the risks are almost all long-term, according to the report. U.S. policy toward China has been based on the proposition that China's modernization is consistent with U.S. interests, and there appears to be a substantial consensus that this policy is on the right track.

As relations with China improved, U.S. export controls were loosened considerably. However, the report said, export license applications involving advanced technologies, that the Department of Commerce must refer to other agencies such as the Department of Defense, still encounter long delays.

Technology transfer will enhance Chinese military as well as economic capabilities even if most technologies are not imported explicitly for military purposes. However, China's difficulties in assimilating advanced technologies -- both military and civilian -- indicate that most dual-use technologies will be of limited near-term use in developing a sophisticated weapon system. China could not approach the military strength of the superpowers for several decades, it noted.

China's economic growth for the remainder of the century is likely to be rapid, creating many opportunities for sales of U.S. goods and services, the report concluded.

U.S. companies have several advantages in competing for this market, including a reputation in China for advanced technology. However, a lack of aggressiveness and persistence on the part of U.S. companies, as well as government policy, has held down U.S. exports.

The report made some suggestions for assisting U.S. exporters, such as support for feasibility studies, technical training, sectoral trade promotion and expanded official financing.

PRC, USSR SIGN JOURNALISTIC COOPERATION ACCORD

OW061416 Beijing XINHUA in English 1406 GMT 6 Jul 87

[Text] Moscow, July 6 (XINHUA) -- The All-China Journalists Association and the Union of Journalists of the USSR today signed a five-year agreement for cooperation in journalism.

A Chinese journalists' delegation, headed by Ding Xiling, vice-president of the All-China Journalists Association, arrived here June 22 for a two-week visit. During the visit, the Chinese guests were received by leaders of the Soviet press.

'NEWS ANALYSIS' VIEWS FRG PRESIDENT'S MOSCOW VISIT

OW050816 Beijing XINHUA in English 0632 GMT 5 Jul 87

["News Analysis: High-Level Bonn-Moscow Contact Restored (by Tang Xiushan)" -- XINHUA headline]

[Text] Moscow, July 5 (XINHUA) -- Federal German President Richard von Weizsaecker arrives in Moscow Monday to begin a six-day official visit to the Soviet Union, the first by the NATO member country's head of state in 12 years.

The visit, postponed for about two months reportedly because of the Federal German role in Soviet-U.S. disarmament talks, symbolizes the resumption of high-level Bonn-Moscow contacts following a chilly period in bilateral relations.

During the week-long trip, which Moscow hails as "having great significance," von Weizsaecker is expected to talk with Soviet Communist Party General Secretary Mikhail Gorbachev and President Andrey Gromyko about Euromissiles, long-term cooperation and the fate of a Federal German pilot detained by the Soviet Union.

Moscow-Bonn relations cooled in the early 1980s after Bonn allowed the U.S. medium-range missiles to be deployed on its territory. The exchange of high-level official visits between the two countries has since been suspended.

Last October, Federal German Chancellor Helmut Kohl made a statement comparing Gorbachev to the propaganda chief of the Third Reich, Josef Goebbels, thus plunging bilateral ties to their lowest point in recent memory.

The Federal German President's visit comes at a time when his country is involved in the Washington-Moscow deal to eliminate medium- and shorter-range missiles in Europe.

Despite signs of a possible U.S.-Soviet agreement on these rockets, one stumbling block still remains: Washington-Bonn insistence on retaining Pershing-1A missiles in Federal Germany.

Moscow made it clear that Pershing-1A's fall under the shorter-range class (500-1,000 kilometers) and therefore should be removed from Federal Germany, otherwise no Euromissile agreement would be reached with Washington.

Federal Germany has 72 Pershing-1A's, which have a range of 185 to 740 kilometers. The missiles' warheads are under U.S. control.

The United States, however, says the Pershing-1A's belong to Federal Germany and that a U.S.-Soviet agreement should not cover missiles of a third country.

Early last month, Kohl said his country will support a U.S.-Soviet accord on Euromissiles only if Bonn is allowed to keep its Pershing-1A's.

The issue, which was reportedly a major factor in the postponement of von Weizsaecker's visit, originally scheduled for mid-May, is expected to figure high in the president's talks with Soviet leaders.

As his country is Moscow's largest Western trading partner, von Weizsaecker, who will be accompanied by a group of businessmen, will discuss with his hosts ways to reverse a downturn in the bilateral trade volume, which dropped from seven billion roubles (about 10.5 billion U.S. dollars) in 1985 to 5.5 billion roubles (about 8.3 billion dollars) in 1986.

Facing the falling world oil prices, the Soviet Union, whose major export item to Federal Germany has traditionally been energy, has been calling for new and diversified forms of cooperation and suggested that the two countries set up joint ventures and cooperate in space exploration.

Leaders of the two countries may also discuss the fate of Mathias Rust, a Federal German youth who was arrested following his surprise landing May 28 at the Kremlin's gate in Red Square after he penetrated Soviet air space in a light plane.

Last Thursday a Soviet Foreign Ministry spokesman said investigation into the Rust case was not yet over and whether he would be freed would depend on the results of the inquiry, although Soviet officials earlier indicated that Rust would be released before von Weizsaecker's arrival.

NEWS ANALYSIS NOTES MOVEMENT IN USSR FOR REFORMS

OW031018 Beijing XINHUA in English 0939 GMT 3 Jul 87

["News Analysis: Kremlin Pushes Reform Despite Obstacles" -- XINHUA headline]

[Text] Moscow, July 3 (XINHUA) -- Soviet leader Mikhail Gorbachev and his allies have won a victory in combating resistance and advanced their plans for radical reform of the Soviet centrally planned economy.

The reform drive entered a new stage with a clearer orientation and more concrete measures after approvals from leading Soviet legislative bodies. The reformist resolution on the cardinal principles of fundamental reform of the economic management system and the law on state enterprises were approved by the recent plenum of the Soviet Communist Party Central Committee and the session of the Supreme Soviet last week.

The resolution says state enterprises, which produce two-thirds of Soviet industrial output, will adopt self-management. [paragraph continued]

This will be done by applying complete cost-accounting and self-financing systems in 1988.

Changes in planning, pricing, supplying materials, financing and credit should be completed by 1989.

The entire Soviet economy will practice the new management system characterized by greater autonomy for enterprises and much less centralized state control from the start of the 13th Five-Year-Plan in 1991.

The economic reform experiment began in 1984 when Soviet authorities reduced the number of state targets for some of its enterprises. Authorities allowed enterprises to link production with contracts signed with customers. The enterprises were also allowed to pay workers depending on how well they work.

However, this experiment was not completely successful. Irrational pricing, state control of raw materials and established credit systems keep the enterprises from having real autonomy. Their production remains inefficient.

Soon after becoming general secretary of the Soviet Communist Party, Gorbachev stressed the need for national economic reform to boost flagging economic growth, at a party Central Committee plenum in April 1985.

Ten months later, the 27th Party Congress, chaired by Gorbachev, formally set guidelines for radical reform of the economic management system and economic mechanism.

To achieve complete economic reform and set up a flexible and workable management system, a package of measures and policies were approved at the party plenum and the Supreme Soviet last week, including:

- Much more independence for state enterprises, which can decide what they will produce and sell to meet the market demands, and extensive development of labor contracts;

- Radical reform of the centralized economic management system. The Moscow-based ministries will focus on the major questions of strategy, balance, quality, rates and ratios of national economic development and keep out of day-to-day activities of enterprises;

- Fundamental reform of planning, pricing, credit and finance systems, and reform of the management of material and technical supplies as well as scientific and technological research;

- New scientific research organizations to improve production and bring product quality up to world standards;

- Replacement of the excessively centralized, command system of management by one of democratic self-management, and fundamental change in the style and operations of party, government and economic bodies.

Stressing the need for genuine cost-accounting and self-financing in enterprises, Gorbachev said at the June Plenum that the success of on-going reform depends on change from below -- enterprises.

All managers and other officials in enterprises must be elected by workers and all important decisions should be approved by workers' congress or conference, he said.

The Soviet Party Plenum again stressed "political democratization" would be the basis of reform. The Supreme Soviet passed two laws safeguarding the rights of the Soviet people.

However, the Soviet Union's centrally-planning economic system has been operating for more than 60 years and several previous reform attempts have failed. It seems no more amenable to change now.

Gorbachev's reforms have come up against great resistance at all levels and he is unlikely to have all the desired change in place within a few years.

The resolution and new laws show that Soviet leaders are determined to carry out their dramatic reforms despite these difficulties.

TIAN JIYUN MEETS USSR MAGAZINE CHIEF EDITOR

OW301300 Beijing XINHUA in English 1146 GMT 30 Jun 87

[Text] Beijing, June 30 (XINHUA) -- Chinese Vice-Premier Tian Jiyun met Vitaliy Korotich, editor-in-chief, and Dmitriy Baltermants, photographer, of OGONYOK, a pictorial of the Soviet Union, here today.

Tian briefed the Soviet visitors on China's policy of reform and opening to the outside world.

Korotich and his party, who are here as guests of Chinese weekly "outlook," have already toured Shanghai, Hangzhou, Guangzhou and Shenzhen.

SIHANOUK TO CONTINUE TO FIGHT VIETNAMESE

OW301800 Beijing XINHUA in English 1744 GMT 30 Jun 87

[By Ma Shengrong]

[Text] Site B, Surin, Thailand, June 30 (XINHUA) -- Princess Monique, wife of Democratic Kampuchean President Prince Norodom Sihanouk, said here today that Sihanouk "is continuing to fight the Vietnamese for the liberation of Kampuchea."

Addressing about 10,000 of the 47,000 refugees living in the camp, she said that Prince Sihanouk "is trying his best to end the Kampuchea conflict" to regain national independence for the country.

Sihanouk announced in early May that he would be absent from his presidential duties for one year on grounds of internal differences among the partners of the Coalition Government of Democratic Kampuchea.

However, in a brief interview with reporters later in the morning, the princess denied that her husband has quit his post as president of Democratic Kampuchea. "He is the president of Democratic Kampuchea. He has not resigned," she said.

She said Prince Sihanouk will visit the refugee camps in Thailand and the military bases of the resistance forces in Kampuchea some time next year.

Princess Monique arrived at the camp at 8:40 a.m., and chatted and shook hands with refugees who were present to welcome her. She told the refugees that she prays everyday for Kampucheans to be released from the sufferings inflicted by the Vietnamese.

Yesterday, Princess Monique inspected a military base of the Nationalist Sihanoukian Army (ANS) in northwestern Kampuchea. She described the morale of the ANS soldiers inside Kampuchea as "very high", saying, "They will continue the struggle until our country is liberated."

Princess Monique is scheduled to hold separate talks with Thai Foreign Minister Sitthi Sawetsila, French and American ambassadors after returning to Bangkok on July 2.

She is expected to pay a brief visit to Malaysia on July 3.

WILNER, DENG XIAOPING DISCUSS BILATERAL TIES

TA060820 Tel Aviv HA'ARETZ in Hebrew 6 Jul 87 p 1

[Report by party affairs correspondent Ilan Shehori]

[Text] Two members of the HADASH [Democratic Front for Peace and Equality] delegation to the PRC, Knesset Member Me'ir Wilner and George Tubi, were received in Beijing yesterday by PRC leader Deng Xiaoping. They discussed Israel-PRC relations and the continued cooperation between the CPC and RAKAH [New Communist List].

Wilner and Tubi are scheduled to hold a news conference in Beijing this morning, in which they will detail the joint agreement reached between RAKAH and the CPC. They are expected to announce the complete normalization of relations between the two parties and the renewal of friendship between the two parties and the renewal of friendship between the Israeli party and the ruling Chinese party.

In a telephone conversation with HA'ARETZ last night, Wilner said that a change in relations between the PRC and Israel is expected. According to him, the talks he held with the PRC leaders focuses on the relations between the two Communist Parties, but he emphasized that this would also affect the PRC's attitude toward the State of Israel. Wilner refused to go into detail about the contents of the statement prior to the news conference, but hinted that it would include an exchange of delegations between the parties and a possible visit of a CPC delegation to Israel soon.

According to Wilner, the PRC leadership does not plan to establish diplomatic ties with Israel, although the Chinese are awaiting the results of the contacts on the convocation of the international conference.

"The entire PRC leadership received us very cordially. Our trip was a great success, and it is a fact that after so many years we very quickly managed to reach an agreement on normalization and the resumption of friendly relations between the two parties," Wilner said. "I am very pleased with the content of the talks; the Chinese were very open toward us."

Wilner added that the talks with the PRC leadership dealt mainly with the international situation, the disarmament problem, the danger to world peace and the need to ensure that a holocaust is prevented, the effect of the international situation on the Middle East, and East-West relations.

In light of the successful talks between the RAKAH delegation and the PRC leadership, Wilner and Tubi decided to extend their stay in the PRC by a week, and they will return to Israel only on the weekend.

Wilner Meets Press

OW061102 Beijing XINHUA Domestic Service in Chinese 0810 GMT 6 Jul 87

[Text] Beijing, July 6 (XINHUA) -- The normalization of relations between the Israeli Communist Party and the Chinese Communist Party is one result of the visit to China by the Israeli Communist Party delegation he led, Israeli Communist Party General Secretary Me'ir Wilner said at a press conference here this morning.

Wilner also said, from now on, the two parties will have more contact and exchange.

Speaking to Chinese and foreign reporters, Wilner said that his delegation has held talks with the CPC side on wide-ranging issues, including the international situation, the world communist movement, the relations between the two parties, and the Middle East situation.

The two sides hold identical or similar views on many of the questions discussed, while different views were expressed on other issues, he said.

Discussing the Middle East question, Wilner said, peace in the Middle East can be achieved on the basis of respecting the rights of all states and peoples in the Middle East, including Israel and the Palestinian Arab people.

That is to say, Israel should withdraw from all the Arab territories it has occupied since 1967 and the rights of the Palestinian people to self-determination and establishment of an independent Palestinian state should be recognized.

To solve the Middle East question, he held, it is imperative to convene an international conference under the auspices of the United Nations and to be participated in by all concerned parties including Israel, the Palestine Liberation Organization, which is the sole legal representative of the Palestinian people, Arab countries and the five permanent member of the U.N. Security Council.

Wilner stressed that he was not representing the Israeli Government on this visit to China, and the talks between his delegation and the Chinese side were only party-to-party talks, which had nothing to do with the Israeli Government.

RENMIN RIBAO COMMENTARY ON PERES' EUROPEAN VISIT

HK070505 Beijing RENMIN RIBAO in Chinese 2 Jul 87 p 6

[Commentary by RENMIN RIBAO reporter Wang Shifang (3769 1102 5364): "Peres' Visit to Four West European Nations"]

[Text] Israeli Foreign Minister Peres visited the United Kingdom, France, Switzerland, and the FRG between 22 and 29 June. This was his third visit to Europe this year, as well as his second visit to the United Kingdom and France.

Why does Peres take so much trouble to visit Europe time and again? In his own words, the objective lies in winning the support of these nations, the United Kingdom and France (two permanent member nations of the UN Security Council) in particular, for his plan for the "Middle East International Peace Conference."

From his disclosure of the accord reached with the United States, the international conference is, in Peres' mind, but a means of achieving Arab-Israeli direct dialogue, but it will have no direct restrictions on all parties concerned. According to Peres, the conference will have no right to impose a plan for a solution on any party concerned (referring to Israel); and the Palestinian Liberation Organization has to accept Resolutions Nos 242 and 338 before it is acceptable to participate in the conference as a concerned party. Therefore, Peres has repeatedly stressed the convening of the Middle East International Conference, but his actual intention is to hold an Arab-Israeli direct dialogue that will shut the PLO out.

Regarding the results of the talks, all the leaders of those nations visited expressed their support for convening the Middle East International Conference, stressing that "It is the only chance of settling the Middle East conflict through negotiations at the present stage" and, therefore, it is the "most realistic step" toward peace in the Middle East. They also expressed their support for the Soviet participation in the conference, but held different views from Peres regarding the PLO's participation.

In fact, Peres aimed to press the PLO to accept the aforementioned resolutions, but this is something not likely to be realized at present. Therefore, another important purpose of his setting great store by the international conference is to raise his own status and the status of the Labor Party at home and abroad on the strength of the support from European nations, and to force the concession of Shamir on the issue of convening the international conference. Otherwise, Shamir and the Likud will more and more land themselves in passivity and isolation, while Peres will have more grounds for disbanding the coalition government and holding a general election ahead of schedule, laying the foundation for a purely Labor government.

While visiting the four European nations, Peres created a momentum for peace at home in a big way, with the Labor Party initiating a week-long so-called nationwide campaign to support the progress of peace and 75,000 signatures collected to appeal to the government not to turn down "the chance for peace." That was in essence an attempt to take advantage of the Israeli people's hope for peace and to exert pressure on Shamir in order to seize victory in the power struggle with the Likud.

To realize his own political goals Peres has made nonstop visits to many European nations, the United States, and many Middle East nations, including the United Kingdom, France, Belgium, Egypt, Spain, and the United States. Superficially, he seems to work very hard for the realization of peace in the Middle East; however, because he has spared no effort to reject the PLO, his attempt to boost his own political influence and that of the Labor Party by relying on an international conference is fully revealed.

BANGLADESH PRESIDENT CONTINUES VISIT IN DALIAN

OW061408 Beijing XINHUA in English 1357 GMT 6 Jul 87

[Text] Dalian, July 6 (XINHUA) -- Bangladesh President Hussain Mohammad Ershad and his party today visited a village in Dalian, a coastal city in northeast China's Liaoning Province.

After being briefed on family planning in the village which is an advanced unit in family planning, the Bangladesh president called on a peasant family.

The hostess presented to the president a certificate of honor awarded by the local government to her one-child family. Receiving the certificate, Ershad told his hostess that he also has only one child.

Talking with the villagers, Ershad said that as Bangladesh also has a large population, the people of his country should learn from people of this Chinese village.

The Bangladesh visitors were honored at a banquet given by Zuo Kun, vice-governor of Liaoning Province, and Wei Fuhai, mayor of Dalian City, here this evening.

PAKISTAN'S PEACEFUL NUCLEAR PROGRAM VIEWED

OW041148 Beijing XINHUA in English 1048 GMT 4 Jul 87

[Text] Islamabad, July 4 (XINHUA) -- Pakistan's peaceful nuclear program has reached a high-level maturity with its increased input for socio-economic development of the country.

In the last decade, a number of research institutes and establishments dealing with agriculture, health, industry and minerals have been set up by the Pakistan Atomic Energy Commission (PAEC), according to official sources here today.

The PAEC's agricultural research centers have contributed to the country's self-sufficiency drive in food. They have helped introduce new high-yielding crops including new cotton varieties and helped eradicate many plant diseases.

Nuclear medical centers of the PAEC were providing succor and relief to over 125,000 patients of malignant diseases, including cancer, every year. The commission has established eight nuclear medical centers in different parts of the country in the last 25 years.

Pakistan has also met its requirements for nuclear fuel and spare parts for the existing Kanupp nuclear power station near Karachi in the far south of the country and important research and development advances in the nuclear fuel cycle. Through its own efforts, the commission has been able to meet the requirements of Kanupp, fabricate nuclear fuel, produce essential materials like zirconium and operated its nuclear power reactor safely and efficiently for the last 10 years.

The sources said that the commission has also helped build a broad scientific and technological base in the country and pave the way for large-scale introduction of nuclear technologies.

PAEC has now set up its own training institutions which are producing high quality manpower to meet the country's basic requirements in many fields. The center for nuclear studies has been offering a master degree course in nuclear engineering for the last 15 years besides holding short-term courses in health, physics, nuclear medicine and quality control.

Now, Pakistan nuclear energy accounts for only 2.2 percent of the nation's 6,298 megawatts power generating capacity. In addition, Pakistan has limited conventional energy resources and in spite of its efforts to fully utilize hydro, coal and gas resources, the country faces a wide gap between supply and demand of electricity. This gap will widen as the population grows and economy develops. For this, the sources said Pakistan was keen to establish new power reactors.

Pakistan has repeatedly declared that its nuclear program is solely for peaceful utilization, and denied the allegation that its nuclear program has its military aspect.

FRIENDSHIP, COOPERATION ACCORD SIGNED WITH FRANCE

OWO21554 Beijing XINHUA in English 1446 GMT 2 Jul 87

[Text] Paris, July 2 (XINHUA) -- A Beijing-1'Ile de France friendly cooperation accord was signed here today.

Signing the accord were Chen Xitong, mayor of Beijing, and Michel Giraud, president of the Regional Council of 1'Ile de France, which includes the City of Paris.

China's Ambassador to France Zhou Jue attended the signing ceremony.

Under the accord, Beijing and 1'Ile de France will cooperate in trade, technology, culture, education, health, urban construction, transportation, agriculture and travel services.

Both sides also agreed to work this year and next to strengthen and expand cooperation in special technologies on city planning, to promote the Sino-French project for rebuilding the Beijing subway, to develop their economic and technical cooperation, and to increase cultural exchanges.

L'Ile de France, with an area of 12,400 square kilometers and a population of more than 10 million, is composed of Paris, department of Val-d'Oise, Seine-Saint-Denis, Yvelines, Essonne, Seine-et-marne and Val-de Marne. It is France's most developed area and the nation's political, economic, cultural and transportation center.

ZHANG JINGFU AT PRC-FRG ELECTRONICS WEEK OPENING

OWO21116 Beijing XINHUA in English 0936 GMT 2 Jul 87

[Text] Beijing, July 2 (XINHUA) -- A China-Federal Germany electronics week was inaugurated here today to facilitate exchanges and cooperation between the two countries in the field.

Jointly sponsored by the Chinese Ministry of Electronics and the Federal Ministry of Research and Technology of the Federal Republic of Germany (FRG), an exhibition and a seminar will be held, according to the organizers.

Over 40 companies from Federal Germany will display their products including electronic communications equipment, electronic instruments, computers, and semiconductor production equipment. And 30 leading scientists will lecture on microelectronics, industrial electronics, surveying instruments, and data processing during the seminar. Special business talks will also be arranged for mayors from Chinese cities open to foreign investment and participants from Federal Germany.

"With the joint efforts of the two governments, the cooperation between the two countries in the fields of electronics and information has bore fairly good results over the past few years," an official from the Ministry of the Electronics Industry said.

Zhang Jingfu, state councillor, Li Tieying, minister of electronics, and Hellbeck, FRG ambassador, attended today's opening ceremony.

Zhao Confers With Expert

OW021716 Beijing XINHUA in English 1500 GMT 2 Jul 87

[Text] Beijing, July 2 (XINHUA) -- Chinese Premier Zhao Ziyang said here today that trained foreign personnel are more important than imported funds and equipment.

Zhao made these remarks while referring to economic and technological cooperation during a meeting tonight with Werner Gerich, an expert from the Federal Republic of Germany who served as director of the Wuhan diesel engine plant, central China from 1984 to 1986.

Zhao said trained foreigners working in China are an important aspect of China's economic and technological cooperation with other countries, saying that China has decided to invite foreign experts to work as factory directors or advisors.

"We hope Federal Germany will become our major partner in this field," he added.

He praised Gerich for his help in China's construction and his experience of being a factory director in China.

At a recent seminar of factory directors held in Wuhan, Gerich gave a lecture on his experience in running the factory.

Zhao asked Gerich to comment on the weaknesses of directors of certain Chinese enterprises. Gerich advised that factory directors should pay more attention to product quality. There should not be any quality difference between exports and domestic goods, he added.

Gerich said he will soon tour southeast countries to help sell diesel engines produced by the Wuhan plant.

Zhang Jingfu, chairman of the China Association for International Exchange of Personnel, was present at the meeting.

Song Jian Meets Visitors

OW040928 Beijing XINHUA in English 0634 GMT 4 Jul 87

[Text] Beijing, July 4 (XINHUA) -- Song Jian, state councillor and minister in charge of the State Science and Technology Commission, met here today Albert Probst, parliamentary secretary of state of the Ministry of Research and Technology of the Federal Republic of Germany, and his party.

Probst and his party are here attending a China-FRG electronics week, which began Thursday to facilitate exchanges and cooperation between the two countries in this field.

DENG LIQUN MEETS VISITORS FROM CZECHOSLOVAKIA

OWO31108 Beijing XINHUA in English 1102 GMT 3 Jul 87

[Text] Beijing, July 3 (XINHUA) -- Deng Liqun, member of the Secretariat of the Chinese Communist Party Central Committee, met here this afternoon a delegation from the Socialist Youth Union of Czechoslovakia led by Jozef Durica, vice-chairman of the union's Central Committee.

The guests arrived here June 30 at the invitation of the Central Committee of the Chinese Communist Youth League.

DELEGATION IN POLAND SIGNS LITERARY PROTOCOL

OWO50812 Beijing ZINHUA in English 0620 GMT 5 Jul 87

[Text] Warsaw, July 4 (XINHUA) -- The Chinese Writers' Association and the Polish Writers' Union today signed a cooperation protocol for 1988 and 1989.

According to the protocol, the two sides will send delegations to each other's country, exchange literary works and make efforts to publish translated versions of each other's literary works.

Ma Shitu, leading a delegation from the Chinese Writers' Association, and Jan Koprowski, head of the Foreign Affairs Committee of the Polish Writers' Union, signed the protocol.

The Chinese delegation arrived here on June 21 for a friendly visit. Earlier, it met with chairman of the Polish Writers' Union Wojciech Zukrowski. The delegation will leave here for home Monday.

PERU DAILY INTERVIEWS WU XUEQIAN IN LIMA

PY241805 Lima EL COMERCIO in Spanish 12 Jun 87 p A 6

[Interview with PRC Foreign Affairs Minister Wu Xueqian by Carlos Molina Hinostrero in Lima. No date given]

[Text] [Molina] What is the current balance of power between those who are for and those who are against reform in the PRC?

[Wu Xueqian] I want to make it clear that in my country there is no opposition between those who support the reform and those who are against it. Yet it should be admitted that reform is something new in the PRC.

At the beginning, there were several opinions on how to implement it. Some people gave their full support to it, others were rather skeptical, and others believed that reform would not bring progress but retrogression. During its first 8 years, the reform has had outstanding success. There are, however, people who are still rather skeptical.

[Molina] Not long ago, however, RENMIN RIBAO reported a controversy over the advantage of applying either an orthodox or a heterodox economic policy -- Doesn't this reflect instability?

[Wu Xueqian] As I told you, reform is something new in the PRC. That is why some economists are allowed to express their opinion, although they might be in disagreement. Time will say who was right and who was wrong.

[Molina] Don't you see a contradiction in all this? For example, while PRC companies have been given relative freedom, political freedoms remain totally restricted. Just recall the student riots.

[Wu Xueqian] The PRC's main current task is to build an individual, modern country.

The economic policy was loosened after the experience of over 30 years, since the founding of the PRC. Experience has taught us that a planned economic policy implemented with an excessively centralized system promotes sluggishness and undermines the vitality of the economy. That is why the system to which you have referred, whereby plant directors are held personally responsible, is an important decentralization step.

[Molina] Do you believe that the loosening of the economy will promote the liberalization of political life?

[Wu Xueqian] The word liberalization originated in the West. We are planning the reform of the political structure. The main topics of this plan are: to strengthen democracy within the party, to strengthen democracy among the people, to strengthen socialist democracy, and to strengthen our country's legal system.

[Molina] What is the Eastern world's concept of democracy?

[Wu Xueqian] Well ..., in addition to the Communist Party, there are other parties in my country. There is also an institution called the People's Political Consultative Conference, where independent prominent figures can express their opinions on government action.

Likewise, voters are always consulted before the elections at rank-and-file level. If there is strong opposition, the candidates are replaced. The actual voting takes place only after careful consideration and consultation.

[Molina] Speaking about reforms that hint at democracy, it seems that two old rivals, the USSR and the PRC, are now going along the same path...

[Wu Xueqian] The only thing I can tell you is that in our country, reform has been under way for 8 years, while Gorbachev began to mention the reform slogan and to disseminate his ideas after he assumed power 2 years ago.

I cannot make an in-depth analysis of the differences or similarities between the reform in the PRC and in the USSR, but I can say that the reform must conform to the characteristics of each country.

[Molina] I can see a major difference. Even though Gorbachev began later, he began with two simultaneous reforms, the political and the economic reforms. The PRC began earlier but has not as yet implemented a political reform...

[Wu Xueqian] That's an interesting point, but I will not make any comments on that subject...

[Molina] Can you give your opinion on the situation of Macao and Hong Kong in the near future? For example, are there any guarantees that the special treatment which is promised for those areas, when they are placed under PRC sovereignty, will not turn into an unbearable contradiction for a zealous, conservative CPC member?

[Wu Xueqian] I believe this concern is unjustified. During the talks with Great Britain we formulated the 'one country, two systems' concept, which we developed after careful consideration. Our current position is to solve the problems that have surfaced during the peaceful negotiations.

Hong Kong will be able to maintain its stability and prosperity because it is beneficial to the modernization of our country.

It is necessary, however, to modify an incorrect idea that has surfaced during this debate: Poverty is believed to be a synonym for socialism, and socialism is believed to be a synonym for equality, which is not true.

Let me give an example: Our government's objective is to quadruple the total value of our production by the year 2000, and to try to reach the level of the Western countries that have managed to achieve reasonable development.

At that time, our population will be some 1.5 billion and the total value of our production will be of [currency not specified] 6 trillion.

With a population of just a few million, Hong Kong will be able to continue with its capitalist system.

As CPC Central Advisory Committee President Deng Xiaoping put it, "It is not necessary to modify the Hong Kong system, because it is proportionately very small."

[Molina] Would the same thing happen in case of a hypothetical reunification with Taiwan?

[Wu Xueqian] We would be more generous. We have told the Taiwanese Government that it can even keep its Army and that we really mean it. That is why Taiwan is closely following our attitude in the negotiations with Great Britain and Portugal over Hong Kong and Macao. I am sure that when they see that our policy in connection with those territories remains unchanged, it will be possible to achieve a peaceful reunification...

[Molina] There is, however, a PRC attitude that is not really peaceful. In the Persian Gulf area, the PRC is one of Iran's major arms supplies. What will the PRC do at the UN Security Council now that there are increasing demands for a negotiated settlement of the conflict?

[Wu Xueqian] The PRC has expressed its support for a negotiated settlement since the very beginning of the war between Iran and Iraq. Also, in its capacity as a member of the UN Security Council, the PRC has adopted a positive attitude toward the drawing up of a document that could actually end the war. Therefore, we will support any formula leading to the settlement of the conflict.

[Molina] Will the PRC sell more weapons to Iran?

[Wu Xueqian] The PRC stopped selling weapons to Iran when the war broke out. This is a U.S.-made idea that has been reported only by the U.S. press. It should be recalled, though, that they have their 'Irangate.'

[Molina] Your visit seems to announce a PRC opening toward Latin America. What is the significance of this opening?

[Wu Xueqian] Our country has always actively cooperated with Latin America in the political, economic, scientific, and cultural fields.

We have established relations with 19 non-communist countries, while we maintain economic and trade relations with a vast majority of nations of the region.

We are sure that our relations with Latin America will be promoted even further...

[Molina] This will be another field for competition with Gorbachev...

[Wu Xueqian] Yes, but without interference. Latin American affairs must be dealt with by Latin Americans.

BOLIVIAN CONGRESS PRESIDENT'S VISIT CONTINUES

Meets Li Xiannian

OW020834 Beijing XINHUA in English 0819 GMT 2 Jul 87

[Text] Beijing, July 2 (XINHUA) -- Chinese President Li Xiannian met here today Julio Garrett Aillon, president of the National Congress of Bolivia.

During the meeting, Li said that the development of Sino-Bolivian friendly relations has been very good in the political, economic and other areas since the establishment of diplomatic relations between the two countries two years ago. However, there is still potential for greater development of relations between the two countries.

Li said that the key to the settlement of the Central America question lies in letting the peoples of Central American countries decide their own affairs without interference by others.

"In handling international affairs, the five principles of peaceful coexistence must be followed. The principles can be applied to countries with different social systems," he added.

Li briefed Garrett on the development of China since the founding of the People's Republic in 1949.

He emphasized that China must build socialism with Chinese characteristics. Since the Third Plenary Session of the 11th Central Committee of the Chinese Communist Party in 1978, China has made great achievements in various fields. Of course, there are still many problems to solve, but there will be no change in adhering to the four cardinal principles and the policies of reform and opening to the outside world.

Garrett expressed his appreciation of China's reforms and achievements, adding that China is of great importance to other developing countries.

He conveyed to the Chinese president greetings from Bolivian President Victor Paz Estenssoro and his wish to further Bolivia's friendly relations with China.

Geng Biao, vice-chairman of the Standing Committee of China's National People's Congress, was present at the meeting.

Delegation Visits Xizang

OW031722 Beijing XINHUA in English 1539 GMT 3 Jul 87

[Text] Lhasa, July 3 (XINHUA) -- Bolivia and China's Tibet region have many things to exchange in agriculture and animal husbandry, and Bolivia is willing to cooperate with Tibet in agricultural seeds, animal husbandry technology and pastoral management.

These remarks were made by Julio Garrett Aillon, president of the National Congress of Bolivia, during a meeting with Ngapoi Ngawang Jigme, chairman of the Standing Committee of the Tibet Autonomous Regional People's Congress, here tonight.

Ngapoi said that as a highland region, Tibet has many things in common with Bolivia. They can also exchange ideas in folk medicine and in the prevention and treatment of highland sicknesses.

After the meeting, Ngapoi gave a dinner for Garrett and his party.

The Bolivian visitors arrived here from Chengdu earlier today.

'COUNTERREVOLUTIONARIES' ARRESTED IN SICHUAN

HK061006 Hong Kong AFP in English 0935 GMT 6 Jul 87

[Text] Beijing, July 6 (AFP) -- Chinese people arrested 11 "counter-revolutionaries" recently for distributing 15,000 anti-communist posters and organising sabotage activities in the southwestern province of Sichuan, CHINA LEGAL NEWS reported Monday.

The group allegedly planned to trigger uprisings and blow up bridges, the newspaper said, adding that this was a "very rare case since the foundation of the People's Republic of China" in 1949.

The discovery of the 15,000 posters between January 26 and June 8 attracted the attention of the Central Committee of the Chinese Communist Party, it said.

The report said that the posters "libelled the four cardinal principles" -- (the leadership of the party, adherence to the socialist path, the democratic dictatorship of the people and Marxism-Leninism-Mao Zedong thought.)

When police arrested the alleged leader of the gang, Zhang Jingsheng, they discovered 65 "reactionary" flags of a fictitious "people's republic of loyal people", dynamite, counterfeit money, printing machinery and seals. Police searched night and day for 145 days after they found the posters, some signed by "the celestial master Zhang" or "the loyalty dynasty."

The definition of "counter-revolutionary" crimes remains vague in China but the term is generally used to refer to a wide range of activities carried out against the interests of the state and party.

In recent months several cases of "counter-revolutionary" activity have been reported and the press recently accused several workers of "counter-revolutionary" activities after they demonstrated with students in December protests for greater freedom and democracy.

PENG ZHEN TOURS JINGGANGSHAN 18-21 APRIL

HK040841 Beijing LIAOWANG in Chinese No 24, 15 Jun 87 pp 16-17

[Article by LIAOWANG contributing reporters Jiang Qiusheng (5592 4428 3932) and Li Shangzhi (2621 1424 1807): "He Keeps Thinking About the People of the Old Liberated Area: A Diary Covering Peng Zhen's Inspection Tour of the Jinggangshan Mountain Areas"]

[Text] 18 April

At 1500 the Nanchang railway station whistle blew. Peng Zhen, member of the CPC Central Committee Political Bureau and chairman of the NPC Standing Committee, left Nanchang for the Jinggangshan mountain areas.

Like the wind, the train sped past central Jiangxi. Looking at the paddy fields, peasants' houses, and towns through the window, Peng Zhen said with excitement to provincial Secretary Wan Shaofen and Governor Wu Guanzheng who accompanied him on the tour: "We are going to Jinggangshan, to the old home of the PRC."

It was Peng Zhen's long-cherished wish to go to Jinggangshan, an old revolutionary base area, to see the people there who have a glorious revolutionary tradition. During the years of arduous struggle to found the People's Republic he was working for the party in the northern part of the motherland and never had chance to visit Jinggangshan. Although he visited Jiangxi on a few occasions after the liberation, he could not fulfill his wish because he was busy with official affairs. Nevertheless, he kept thinking of the people of the old liberated areas and paid close attention to construction there. At the Fifth Session of the Sixth NPC held recently he specially asked Jiangxi delegate Wan Shaofen to give him a detailed account of the construction of the old liberated areas and well-being of the masses and decided to make an inspection tour of Jinggangshan. Following the closing ceremony of the session on 11 April, he hurriedly flew to Nanchang on 17 April.

"Jinggangshan is the old home of revolution." Peng Zhen frequently repeated this remark in recollection. Mao Zedong, Zhu De, Peng Dehuai, Chen Yi, and other comrades who led the struggle in Jinggangshan during those years passed away one after another. They can no longer go to Jinggangshan to see the people of the old liberated areas. Peng Zhen said that there are still numerous difficulties to overcome in the construction of the old liberated areas and in improving the living standard of the people there. As a state leader he said, I have the duty to go to the old liberated areas to acquaint myself with the actual situation there and help resolve the problems.

The train arrived at Yongxin station, at the foot of Jinggangshan, at 2100 after more than 5 hours travel.

Yongxin was one of the main counties of the Jinggangshan revolutionary base area in those years. The famous Sanwan reorganization and victory of the Longyuankou battle took place in this county. When the train stopped at Yongxin station the comrade of the county party committee came on board, earnestly inviting the chairman to spend the night at the guest house. Peng Zhen held his hand and said: "I am now at my old home. The people here are not yet well-off. I do not want to trouble you."

Comrade Peng Zhen spent his first night in Jinggangshan on the train which stopped in the wilderness.

19 April

Jinggangshan was warm and sunny today. After having breakfast on the train Peng Zhen took a coach which drove along the winding mountain road towards the depths of Jinggangshan.

The distance from Yongxin to Jinggang was over 50 km and the dirt road was rough. To alleviate the jolting the county authorities especially prepared a car for Peng. However, Peng Zhen went direct to the coach and sat with other comrades after getting off the train. He said: "I feel better this way. I never take a car when I conduct investigations at the basic levels. I am not going to take the car since I am already in the old liberated area."

At around 1000 the coach arrived at Sanwan, the north gate of Jinggangshan. Sanwan, which borders Ninggang, belongs to Yongxin. The coach stopped at Fengshuping where the maple trees made a pleasant shade. The place was well-known for its large number of 100-year-old maple trees.

After leading the troops of the Autumn Harvest Uprising to this place on 29 September 1927, Comrade Mao Zedong carried out the famous "Sanwan reorganization" and set up the party's organizations at various levels within the troops which laid the foundation politically, ideologically, and organizationally for establishing a new people's army. At that time Comrade Mao Zedong delivered a speech under the maple tree, assembled the reorganized troops of the Autumn Harvest Uprising, and advanced towards Jinggangshan. Peng Zhen looked around without saying a word. He was lost in thought. He said: "Comrade Mao Zedong's theory on establishing the party branch at the company during the Sanwan reorganization enabled the Red Army to tide over numerous difficulties and hardships in later battles. His contribution was great."

Then Peng went to Zhuziping village in the same vicinity to see the masses.

"You are welcome by the people of the old liberated area," Long Fuyuan, the old secretary of the village said, stepping forward first to greet Peng Zhen. He led Peng Zhen and his wife Zhang Jieqing and their granddaughter to his house and presented them with a cup of Jinggang tea. Peng Zhen cordially chatted with Long Fuyuan. Thanks to the party's recent policies, Long told Peng, the villagers are full of spirit and they have plenty of grain. Long said that he raised 4 pigs and 6 head of cattle. Pointing at the newly purchased television set, he said, the living standard of the old liberated area is improving like the bamboos shooting up in Jinggangshan. Peng Zhen smiled happily at Long's remarks.

The people of Zhuziping rushed to the village entrance when they were informed of Chairman Peng's arrival. With government aid this small mountain village which had only 15 households made full use of local bamboo resources to develop commodity production. With an annual per capita income of over 400 yuan, the living standard of the villagers improved remarkably.

Peng Zhen bid farewell to Zhuziping and then drove to Longshi, Ninggang County. At the Longjiang Academy where Comrades Mao Zedong and Zhu De met for the first time, Peng met with the old Red Army men and Red Guards, addressing them as "Heroes of revolution and the PRC." The old Red Army men and Red Guards also regarded Peng as one of their family. They told Peng Zhen that the party and government have paid great attention to the old liberated areas. They are now spending their remaining years in happiness. Peng Zhen said: "Yes, the conditions are better nowadays. It was so hard for you to carry out the struggle in Jinggangshan during those years. After all, we have won the victory." When Peng Zhen asked the age of Zhang Guiting, leader of the Young Pioneers during those years, Zhang replied: "76." Peng Zhen sighed with emotion: "How time flies. This year is the 60th anniversary of the founding of the Jinggangshan base. The young pioneers of those years have now become old people."

With some old revolutionaries showing the way, Peng Zhen visited the old Red Army training unit, the monument marking the joining of two forces which bore the inscriptions of Ye Jianying. In April 1928 the troops of the Nanchang Uprising and Autumn Harvest Uprising led by Zhu De and Chen Yi respectively jointed forces which consolidated and expanded the Jinggangshan rural revolutionary base. Peng Zhen said that the joining of the troops of the Nanchang Uprising and Autumn Harvest Uprising at Jinggangshan was the turning point in the new democratic revolution. The monument marking the joining of the two forces can be regarded as the foundation stone of the PRC. Peng wielded a brush and wrote an inscription: "The joining of two forces will go down in history forever."

After a short stay in the Ninggang county seat Peng Zhen left in the afternoon for Maoping to visit the site of the first CPC National Congress at the border of Hunan and Jiangxi. At the octagonal tower where Comrade Mao Zedong wrote "Why Can Red Political Power Exist in China?" "The Struggle in Jinggangshan," and other works, Peng Zhen had a photograph taken with Yuan Yaolie, son of the revolutionary martyr Yuan Wencai. The he took the winding path leading to Huangyangjie.

The terrain of Huangyangjie is precipitous. It was one of the five major sentry posts during the Jinggangshan struggle. Peng Zhen stood at the edge of a steep cliff looking afar at the mountain ranges. He said: "Comrade Mao Zedong described this place in his verses 'From Huangyangjie roars the thunder of guns. Word comes the enemy has fled into the night.'"

After visiting Huangyangjie, Peng Zhen and his party continued their journey towards Ciping where the government of Jinggangshan is located. When they arrived at Ciping for a rest, it was already dark.

20 April

This was Chairman Peng's busiest day on top of the mountain.

Peng drove to Dajing in the morning. Dajing is located west of Ciping. Mao Zedong and other Red Army leaders lived here during those years. There was also a Red Army hospital. There was a tall and erect Chinese fir at the back of the Red Army hospital. The local masses said that when the Red Army withdrew from Jinggangshan, the hospital was burned down by the enemy and the Chinese fir withered. After the liberation, the Red Army hospital was renovated and regarded as a revolutionary site. The Chinese fir also budded. With deep roots and luxurious leaves it now stands erect in the canyon. After listening to this story Peng Zhen smiled. True. Not even the prairie fire can destroy the grass. It grows again when the spring breeze blows. Is this vigorous Chinese fir not the portrayal of the indomitable revolutionary spirit of the Jinggangshan people?

The coach continued towards Dajing along the zigzag mountain highway. The highway was full of abrupt turns. The luxuriant bushes and red azaleas fluttered in the gentle breeze. The coach stopped at a quaint building. This was the hospital of the Fourth Army of the Red Army. Due to an enemy blockade at that time there was a shortage of medical equipment and medicines. To overcome the difficulties they used medicinal herbs instead of medicines, and bamboo instruments instead of metal ones. Peng Zhen spoke highly of the dauntless spirit of self-reliance and fearing no hardships. He said: "We communists are never pessimistic. The difficulties and hardships are nothing when we overcome them. We win the victory after overcoming the difficulties and hardships. The greater the extent of difficulties and hardships, the greater the degree of victory. This is also the case in carrying out revolution and construction. We must carry forward the glorious tradition of plain living, hard struggle, and fearing no difficulties."

The valley near the hospital was full of evergreen pines. In the valley there was a tomb where over a hundred Red Army men were buried. On 26 April 1929, a horde of enemy soldiers from Hunan attacked the hospital. They tortured the patients of the Red Army who were receiving treatment in the hospital and killed them in the paddy fields in front of the hospital. The local masses buried the Red Army fighters in the valley that very night. Peng Zhen and his wife and their granddaughter stood in silent tribute before the tomb of the martyrs.

In the afternoon Peng Zhen met with the representatives of Red Army fighters, Red Guards, and people of the old liberated area and extended his cordial greetings to them. Then he summoned the responsible comrades of the party committees of Jian, Jinggangshan, Wansan, Lianhua, Taihe, and Zhuchuan to discuss plans on revitalizing the economy of the old liberated area. After listening to the account given by these comrades, Peng Zhen said that China's characteristics have determined that we should carry out a revolution from the mountain and border areas which are poverty stricken, rather than the cities. Generally speaking, the mountain and border areas are inconveniently located and economically underdeveloped. There are indeed a lot of difficulties here in carrying out the socialist modernization program. In recent years construction in the old liberated areas has improved markedly and we have basically solved the problem of food and clothing. However, this is not enough. We must further carry out the four modernizations, realize a high degree of material and spiritual civilization, and let the people of the old liberated areas become well-off together with the people of the whole nation. Abundant in natural resources, Peng Zhen pointed out, Jinggangshan and the nearby counties and cities have great potentials and many advantages in developing their economies. In my opinion, your best advantage is the unswerving Jinggangshan revolutionary spirit and the fine tradition of self-reliance, plain living, and hard struggle. We must bring the initiative of the masses into full play similarly as we did during the war years. It will be impossible to carry out socialist construction if we merely rely on the efforts of cadres and a handful of people. Instead of saying that Jiangxi, the old liberated areas in particular, has gone too far in reform and opening up, he further pointed out, you have not done enough. Jinggangshan proposed opening the door of the mountain to talented people, technology, and funds. This method is good. Apart from the large state-owned enterprises, we must also invigorate the collective-owned enterprises and the units at the basic levels. Since the conditions of each locality differ, it will be disadvantageous to arousing the positive factors if we exercise excessive management and rigid control. While carrying out construction the old liberated areas should pay close attention to the problems mentioned in these two respects. Only by doing this can you realize the goal of "solving the question of food and clothing within 3 years and getting rid of poverty within 5 years" put forward by the provincial party committee and gradually catch up with and surpass the economic development level of the advanced areas.

21 April

At 0800 Peng Zhen reluctantly left Jinggangshan. While transferring to a train at Yongxin station, he went to the county organs to meet representatives of veteran Red Army fighters, cadres, and the masses.

The comrades of the Yongxin County CPC Committee invited Peng Zhen to a luncheon. However, Peng led them to the dining car. Peng told the Jiangxi comrades: "This is the home of the PRC. Jiangxi has three things ranking first in the country. First, the first rural revolutionary base, namely, Jinggangshan; second, the opening shot of the Nanchang Uprising against the reactionaries; and third, the central Soviet area opened in southern Jiangxi and the first central Soviet Government was set up in Ruijin."

Peng Zhen said with deep feelings: "Jinggangshan, Ruijin, Zunyi, and Yanan are our old homes. The revolutionary bases throughout the country are our old homes. The people of the old liberated areas have sacrificed their lives and made great contributions to the revolution. [paragraph continues]

We should never forget the old liberated areas and the people here. All localities, trades, and professions should make their due contributions to revitalize the economy of the old liberated areas and let the people here take the road to common prosperity together with the people of the whole nation."

BO YIBO ADDRESSES TOWN ENTERPRISES REPRESENTATIVES

HK050841 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No. 23, 8 Jun 87 pp 3, 4

[Speech by Bo Yibo, vice chairman of the CPC Central Advisory Commission to representatives of town and township industries: "Developing Town and Township Enterprises Is an Important Link in Building Socialism with Chinese Characteristics"]

[Text] Township and town enterprises made a start in China's rural villages quite some time ago but their tremendous development took place only after the 3d Plenary Session of the 11th CPC Central Committee and in the beginning of the rural reform. Without the development of township and town enterprises, to make the rural economy prosperous and the peasants well off will be impossible, it is feared. This is a law governing rural economic development.

In developed capitalist countries their rural population is usually smaller than their urban population. In our country, following the guideline and road determined by the CPC Central Committee, we have opened up this road of developing township and town enterprises in an effort to solve the problem of surplus labor in rural villages. Following the enforcement of the household contract responsibility system the peasants' enthusiasm for production has risen. When a person has only several fen of farm land, or a mu or even several mu, there is no way to arouse his enthusiasm. If he does not undertake other production channels and merely counts on a small strip of land, then even though the land is embroidered with flowers, so to speak, rural villages cannot become well off. One of China's special features is here huge population with very scant cultivated land. After the 3d Plenary Session of the 11th CPC Central Committee a change was made in the "pauperish transitional" leftist methods which the rural villages had learned from the final stage of Dazhai and the contracting system was enforced. Contracting solved the problem of man's activism or enthusiasm, but this alone was not sufficient. It was necessary to open up diversified operations and develop industrial sideline activities. The result was the opening up of this road of greatly developing township and town enterprises. Township and town industries are run by individual peasants and are also run by collectives, but a larger number are by the collectives. If they are not run by collectives they can hardly attain a definite scale and it is very difficult to achieve bigger and better benefits.

Industrial development in the rural areas and the establishment of township and town enterprises embody an extremely important significance in developing the national economy. If China wants to become powerful and well off and realize the four modernizations, township and town industries will play an important role. Agricultural modernization all the more needs the development of township and town industries. This point should be clear to everybody as he or she looks deeper into the matter. At the beginning, the concept was "industry brings wealth"; later on it was "industry subsidizes agriculture"; and now it is "industry establishes agriculture." Only in places where industry has done well is there strength to support agriculture and can a portion of funds be expended on water conservancy projects and the purchase of agricultural machines. [paragraph continues]

This will provide agriculture with stamina, enable the co-development of industry and agriculture and the thriving of the five trades. By doing this there are hopes for the rural villages to become well off.

Industrialization and the four modernizations in China naturally requires making the cities and towns the centers with the state and the localities setting up various kinds of industries in the large cities and towns, medium-sized cities and towns and small cities and towns. These industries are the backbone of the national economy. But it will not be sufficient to have only this backbone of urban industries. Only when the vast rural areas have set up township and town industries can there be hope for the industrialization of the country. So-called industrialization -- just exactly what does it require? The simple reply is that the output of industry must greatly exceed the output of agriculture. At present in the world's industrially developed countries the majority of the people tend to industry and only a minority of the people go into agriculture. In the United States, one labor unit in rural villages can produce food for over 60 people, and still leave a surplus. And there are still agricultural products for export. At present in China there are some 800 million people in the rural areas. Quite naturally it does not make sense to have so many people emigrate to the cities to take up industries. Without going to the cities the only alternative is to undertake industrial pursuits locally in the rural areas. At present, although there are already over 100 million peasants in the rural areas engaging in industry, yet out of the many hundred millions of peasants laborers, this number is still insufficient. To realize the country's modernization and industrialization, township and town enterprises still require a much larger scale of development.

You are all peasant entrepreneurs who have come from various parts of the country and are in the forefront of the development of township and town industries. Your enterprises must continue to develop because this has a bearing on realizing modernization for the country and placing the country on the road to affluence and power. Besides, it is beneficial to consolidating and strengthening the industrial-agricultural alliance. The topic of industrial-agricultural alliance is now seldom talked about. We now enforce a people's democratic dictatorship with an industrial and agricultural alliance as its basis. In both the revolutionary war and the period of economic construction, the industrial-agricultural alliance was extremely important. The Communist Party is the political party of the working class. The peasants are the most reliable allies of the working class and during the democratic revolution, the Communist Party led the peasants in the division of land and sought interests for them. In turn, the peasants gave even more support to the revolution and the strength of the industrial-agricultural alliance was greatly increased. After land reform, in the beginning the relations between industry and agriculture were relatively good although subsequently they deteriorated. Now industry is lending support to the peasants to build township and town industries and to reduce the disparities between the cities and the countryside and industry and agriculture. The development of the rural economy also promoted the development of the national economy. The foundation of the industrial-agricultural alliance thus became even stronger and more reliable.

In the development of township and town industries it is necessary not to forget agriculture or the peasants. Some people have asked: Why should the money earned from industry be used to subsidize agriculture and make industry build agriculture? This viewpoint is very incorrect. Without agriculture's stable development and without a co-development situation between industry and agriculture, the national economy is not coordinated and cannot be sustained and stabilized.

Without the rural villages being well off and the peasants also being well off, the industrial-agricultural alliance cannot be firm and consolidated and there is no way to build up socialism. This is very important reasoning and involves a problem of a basic nature. It must never be forgotten.

I am not speaking these good words for the township and town industries just because I am meeting with today the representatives of township and town industries. I am speaking these words for the sake of the whole situation of national construction and of socialist enterprise. Township and town industries constitute an exceedingly important link. The road to developing township and town industries is a correct road.

This being the case, the township and town industries are there any problems worthy of attention? The current problem is that there must be a further improvement in the system. This includes well coordinated relations between the state, the peasants and the internal relations of the township and town industries. Township and town industries must harbor the national viewpoint and the viewpoint for the situation as a whole. The target of township and town industries is to make the country wealthy and strong. But this does not mean that all the money earned by township and town industries must be in the hands of the state. Rather, we should pay attention to the state's great situation and handle well the relations with the state. For example, taxes must be paid according to the regulations and the operations must be in accordance with the relevant statutes and regulations of the state. Naturally, the state and the various social circles must all be concerned with the township and town industries and support their development. But I strongly oppose everybody keeping an eye on the small amount of funds in the hands of the township and town enterprises and stretching their hands on all sides to ask for the money. We should not do this now or in the future. Within their capacity, township and town enterprises may undertake certain public welfare work such as devoting more efforts to establishing schools. Without improving the quality of people and without setting up well an educational foundation there is no way to make the country prosperous and developed. As for giving financial aid to this society or that association, be sure to refrain from doing so. What must be boycotted must be boycotted. Nobody and no unit should stretch out his or its hands to ask for money. Some people were in the habit in the past of "eating from the same big pot" at the expense of the state and are now doing so at the expense of township and town enterprises. If everybody follows this example then there is no way for enterprises to develop. We must all firmly and irrevocably proceed in the direction of organizing township and town enterprises. Collective enterprises should be developed. Within the scope of state statutes, which provide for getting well off through labor, individual units should also be allowed to develop. Nobody should harbor any fears. The various groups in society must fully understand the important significance of running township and town industries. It may be said to be an important link in building socialism with Chinese characteristics. At present the coastal areas are opened to the outside. Technologies, talented personnel and capital funds have all been introduced and public-private jointly-run enterprises, Sino-foreign jointly-operated enterprises, and enterprises solely run by foreign capital have come into being or been introduced. All this undoubtedly has played an important role in developing the national economy. However, this pertains to only one aspect of the picture. If the township and town industries in our vast rural areas remain undeveloped while the coastal areas have introduced a small volume of advanced technology then it still will not work. At present, the output value of the township and town industries makes up one-fifth of the gross output of industry in the whole country. In only a few years they have attracted some 100 million people of the rural areas and their output value has amounted to 330 billion yuan. This strength should not be under estimated.

Before you the over 20 peasant entrepreneurs represented some 1.6 million township and town enterprises comprising an enormous force. Your actions occupy an important position in this large situation of the reform, opening to the outside and invigoration. The party and the state are grateful to you all. Very likely very few of you possess a university degree or a graduation certificate of a specialised institute. The great majority among you have emerged from actual practices. We must not slightly look at capable persons who have grown from actual practices. Indeed we must highly regard our peasant entrepreneurs. Naturally, you should respect yourselves, learn hard and continuously improve yourselves to play an even greater role in the rural areas and in the construction of the national economy.

Finally, I hope that all you comrade entrepreneurs will, first, embody full confidence in the guidelines of reform, opening to the outside and invigoration and will firmly believe that there will be no change in the rural policy of the 3d Plenary Session of the 11th CPC Central Committee; and, second, will in the course of running the enterprises, strive hard to learn. The level of operations and management of the township and town enterprises and their technical level must both be improved. Township and town enterprises should engage in competition with the state-run large enterprises, medium-sized and small enterprises. You have already earned a little money. Outside of spending on the necessary expenses, you should spend more on technological renovation, expanded reproduction and the development of your own enterprises.

In the 8 years since the 3d Plenary Session of the 11th CPC Central Committee, township and town enterprises have absorbed 100 million rural surplus labor units. By the end of this century another 100 million will have been so absorbed. In the meantime, agriculture will have been further developed. Land cannot be idle. There must be further increases in grain output. We must put our strength into agriculture to help realise its modernization so that the rural villages will gradually follow the road to affluence. These are my hopes extended to the township and town industries.

COMMENTATOR SAYS COMBATING LIES BUREAUCRATIC ISSUE

OW070332 Beijing XINHUA Domestic Service in Chinese 2340 GMT 5 Jul 87

[XINHUA commentator's article: "One Must Never Tell Lies"]

[Text] Beijing, 6 Jul (XINHUA) -- While inspecting work of removing obstacles from Huang He channel in Taiqian County, Vice Governor of Henan Province Liu Yujie did not listen to the false report given by the county party secretary and county magistrate; instead, she went to the work site and learned the actual situation. This instance should not be ignored, for it gives us another lesson of combating bureaucracy.

It reminds us that although the party's fine style of seeking truth from facts has been restored and promoted since the 3d Plenary Session of the 11th CPC Central Committee, certain number of our cadres still tend to practice fraud by providing false information and figures to their superiors. We were bound to mess things up if we believe them. Therefore, to fight against lies is still crucial in the current context of changing party style and improving cadres' work style.

Why is it that in some localities the practice of telling lies cannot be stopped? The people who tell lies should be blamed for this, yet their superiors should be held equally responsible. Some leading cadres just like to hear good things instead of the bad or just hear reports without conducting any actual inspection in the grass-roots units or the work site; thus, lies can not only blind them but also win their appreciation. We can see clearly now that the key to rooting out the practice of telling lies is for leading organs and cadres to get rid of bureaucracy first. They must combine the reports they have heard with actual investigation made on the spot by going down to the masses or to the most remote places, thus really mastering the firsthand information without being cheated by liars.

We hope those comrades who like to provide false information to their superiors change their work style. Throughout our party's history, we have suffered a lot from telling lies. We, as party members and state cadres, can only survive by sticking to the truth and seeking truth from facts. By telling lies to their superiors, the liars cannot only hold important things up if the superiors make decisions on the basis of their lies, but also harm themselves eventually. We sincerely hope that all the impractical practices will disappear so that the party style of seeking truth from facts will be further promoted.

COMMENTATOR ON DEEPENING, TESTING REFORM

HK061501 Guangzhou NANFANG RIBAO in Chinese 5 Jul 87 p 1

[Commentator's article: "Persist in Usingd the Criterion of Productive Forces To Test Reform"]

[Text] At present, one of our major tasks is to deepen our reform. To do this, we should first correctly assess the results of our reform over the past 8 years. Only by reaching the same opinion and using the same language can we make concerted efforts to speed up the pace of reform.

The reform in the past 8 years has brought about rapid socioeconomic development and has brought substantial material benefits to the people, so it has been heartily supported by the general public. However, some people tended to find fault with the reform, holding that reform disrupted economic order and violated socialist principles. This thus gave rise to a serious question: What criterion should we use to judge the results of reform?

The "CPC Central Committee's Decision on Reforming the Economic Structure" adopted by the 3d Plenary Session of the 12th CPC Central Committee clearly points out: "In carrying out reform, all party comrades must without fail grasp the above-mentioned basic concept of Marxism and see whether the reform facilitates this task as the most important criterion for assessing the success or failure of all reforms." However, some people recently forgot this most important criterion for assessing the results of reform; instead, they used some "abstract principles" as the criteria for assessing reform. The so-called "abstract principles" refer to ossified dogmas that were formed by people who merely proceed from abstract definitions and hold a one-sided or erroneous understanding of socialism, or some outmoded conventions that were established by mechanically copying models of socialist construction in other countries. One who tries to confine our socialist practice to these abstract principles will certainly negate the necessity of reform, and if one uses such abstract principles to assess our reform, one will certainly reach the ridiculous conclusion that reform is "capitalist practice."

Practice is the sole criterion for testing truth. Engels said: "The so-called 'socialist society' is not something immutable. Like any other social system, it should be an ever changing and reforming society." The application of any principle must be combined with practice and be tested by practice. Even a correct principle should also be continuously enriched and developed in practice. Talking about socialist principles in an abstract way, without paying attention to the development of productive forces, is not a Marxist attitude. Any changes in production relations that go beyond the actual level of the productive forces will certainly be rather subjective and unrealistic. This was the reason for the many "leftist" mistakes we made in socialist construction in the past 30-odd years which caused serious losses. Because we neglected the criterion of developing social productive forces, the "leftist" things could grow more and more serious without being restricted. In the ownership aspect, we blindly sought a "large-scale and higher level of public ownership;" in the distribution aspect, we practiced egalitarianism, blew the so-called "communist wind," tried to conduct so-called "transition on a poor foundation," and tried to cut the "capitalist tail." The reason for these erroneous practices was that we merely took some abstract principles as the criterion and held that so long as we "purify" production relations, we would be able to build socialism. Facts have proved that such an idea was merely wishful thinking or Utopian. In order to change the Utopian idea into scientific practice, we must base our socialism on realities.

Marxism holds that production relations must be suited to the character of the productive forces and be able to promote the development of the productive forces. Only thus can they be progressive. Therefore, we should take an all-sided viewpoint to approach the dialectic and united relationship between productive forces and production relations, and see whether the relations of production are favorable to the emancipation of the productive forces as the major criterion for judging progress or retrogression of the production relations. Since the 3d Plenary Session of the 11th CPC Central Committee, our party has taken a realistic attitude to analyze our national conditions and to formulate the general guideline for reform, opening up, and economic invigoration; has broken through many ossified dogmas and forms; and has found many economic operation forms that are suited to the present level of our country's productive forces. Forms such as the household output contract responsibility system, the contract management responsibility system, and the enterprise leasing system. This has greatly and effectively promoted the development of our socialist productive forces. Through reforms over the past 8 years, people's initiative and creativity have been brought into full play; economic development shows a vigorous scene; and the people's living standards have been substantially raised. This is the fundamental reason why the people support reform. It is obvious that if we do not attach importance to the development of productive forces, we would not be able to bring any real benefit to the people, and then the high-sounding tunes would simply get nowhere.

Using the development of productive forces as a criterion in assessing the results of reform is completely in line with adherence to the socialist orientation of reform. The fundamental task for socialism is to develop the productive forces. Reform will change the economic and political structures and other things in the superstructure that are not suited to the development of productive forces, so as to promote the development of productive forces. We can only use whether or not the productive forces have been developed effectively as the criterion for judging whether the purpose of reform has been achieved. Reform is a self-perfection process of socialism, and the degree of perfection can only be measured with social productive forces as a yardstick. The adherence to the four cardinal principles is in line with adherence to the general policy of reform, opening up, and economic invigoration in building socialism with Chinese characteristics. [paragraph continues]

If a person has no enthusiasm for such a vigorous practice of scientific socialism, or has no interest in this, or even tries to completely negate this practice and just indulges in empty talk about some abstract principles, at least his attitude is not serious.

Fundamentally speaking, the superiority of socialism lies in its ability to create higher labor productivity than capitalism, and to promote the more rapid development of the productive forces. Recently, Comrade Deng Xiaoping pointed out: "Socialism requires developed productive forces, and poverty is not what socialism wants. We should adhere to socialism. But to further build socialism which is superior to capitalism, we must first get rid of the poor socialism. Now, although we are practicing socialism, ours in fact is still not qualified to be called socialism. Only when we reach the level of the intermediate-developed countries by the middle of next century can we say that we have really established socialism, and can we say convincingly that socialism is superior to capitalism." His remarks clearly told us that when practicing socialism, we must pay full attention to the criterion of the productive forces, and must go all out to develop the productive forces. All reform measures which are favorable to the development of the productive forces are reasonable and progressive. Only by firmly advancing reform and opening up and fully arousing the people's initiative and creativity to greatly develop the productive forces can we fully demonstrate the superiority of socialism and make socialism really attractive.

COMMENTATOR URGES STRENGTHENING SENSE OF REFORM

HK031550 Beijing JIEFANGJUN BAO in Chinese 20 Jun 87 p 1

[Commentator's article: "Strengthen the Sense of Reform"]

[Text] In conducting education related to the two basic points of the line put forth at the 3d Plenary Session of the 11th CPC Central Committee in a thoroughgoing way, we should continue to strengthen the sense of reform in close connection with the thinking of cadres and fighters. This is necessary if we are to do a good job in the various reforms of the Army and to enthusiastically support the comprehensive reform of the country.

What we mean by the sense of reform is the correct understanding of the necessities, inevitability, nature, objectives, policies, and procedures of the various reforms being implemented all over the country that everyone should have. The consciousness of being concerned for, supporting, and participating in the reform springs from this clear and profound understanding. When reform was initially implemented in the rural areas 7 to 8 years ago, some comrades did not understand the reform and they even suspected it. This was mainly due to their lack of the sense of reform. It is not surprising that some comrades took a roundabout course in their understanding at the beginning of the reform era. But the question is when the reform is deepened, the situation demands that we support and participate in the great cause of reform more conscientiously. We thus need to have a more correct and profound understanding of the reform, and can no longer be satisfied with a state of passivity.

To strengthen the sense of reform, we need to have a comprehensive and correct understanding of the relation between adherence to the four cardinal principles and the struggle against bourgeois liberalization, and reform and opening up. The two basic points of the line put forth at the 3d Plenary Session of the 11th CPC Central Committee are upholding the four cardinal principles, and adherence to the general policy and guiding principle of reform, opening up, and invigoration. [paragraph continues]

The two basic points are related to, and inseparable from, each other. They have each other's characteristics and are so closely related like lips and teeth, that neither of them can be dispensed with. We should not apply ossified and stagnant viewpoints in comprehending the four cardinal principles so as to conclude by rejecting the reform, and negating opening up and invigoration, nor should we look at reform, opening up, and invigoration from the viewpoint of liberalization so as to deny the four cardinal principles. The ancients said, "In pelting the rat, we hesitate for fear of smashing the dish beside it." If we brush aside the negative connotation, we will find the saying philosophical. At present, bourgeois liberalization is like the "rat" whereas reform is like the "dish." We should not be hesitant in the struggle against bourgeois liberalization for fear of smashing the "dish." If we allow the rampant spread of the ideological trend of bourgeois liberalization, the foundations of the four cardinal principles will be shaken and the reform ruined. However, "in pelting the rat," we must be "in fear of smashing the dish" and take good care of the "dish." If we cannot see the social nature of the reform clearly, but oppose it as if it is bourgeois liberalization, the reform will be left unfinished in the end, and bourgeois liberalization cannot be combated. These are not exaggerated words to scare people. In the struggle against bourgeois liberalization, there are people depreciating or even opposing reform under the pretext of opposition to bourgeois liberalization. Those are only sprouts and this requires our vigilance.

To strengthen the sense of reform, we should continue to clear away "leftist" influences. We must always uphold the guiding principles of combating "leftism" or rightism, whichever crops up. If the reform is to progress in a correct direction, we need to pay constant attention to the elimination of the rightist interference. The rampant spread of the ideological trend of bourgeois liberalization last year is a lesson that we cannot forget. But we cannot think that the major problem that we have to solve has changed. "Leftist" influences remain our major problem. By looking at our history, we will find that our major mistake is "leftism." Let us talk about the recent past. The various political and economic policies implemented in the light of the anti-rightist campaign in 1957, and the Great Leap Forward and people's commune in 1958 were "leftist." Despite the influence of international factors, the 3-year economic hardships were mainly caused by our "leftism." The "Great Cultural Revolution" was even more "leftist." It lasted for 10 years, and caused severe damage to the national economy. After the elimination of "leftism," during the 7 to 8 years since the 3d Plenary Session of the 11th CPC Central Committee, conditions have greatly changed. It is not easy to really clear away all leftist influences, as "leftism" has been in existence for a long time and is deep-rooted. Many outdated and ossified viewpoints and "leftist" ideas are still accepted by some people, and their influence on the PLA units cannot be under-estimated. We have to clear away "leftist" influences by means of ideological education, and unify people's thinking and make them correctly understand the reform in accordance with the line put forth at the 3d Plenary Session of the 11th CPC Central Committee. This can then be regarded as supporting and participating in the reform.

In strengthening the sense of reform, we need to correctly look at the various problems arising from the reform. Practice proves that reform is extremely beneficial to our country and people. But there are still some problems as reform is a process that improves conditions step by step. We should not suspect or lose confidence in reform just because some problems arise. With the progressive transformation of the new and old economic systems, there will certainly be corresponding adjustments and new changes in the relation of interests among the various respects. Contradictions will also arise therefrom. In view of the overall trend of development, the economic interests of various sectors will increase as the reform progresses. [paragraph continues]

But people's interests will not grow in the same proportion. As the timing and amount of interests are inevitably different, some people have their shares of interests earliest, while some get greater shares. A few units and individual people even have to make partial sacrifice for a temporary period. Moreover, the adjustment of such interest relations cannot be finished immediately. What can be obtained from a certain reform may be partially lost or made up for in another reform. Whenever such a contradiction arises, the part must be subordinate to the whole, short-term interests to long-term ones, and individual interests to collective ones. In assessing whether the reform is correct and successful, we should not be so one-sided as to base our view on the actual interests that an individual person obtains at a particular time. This is also an important sign of the sense of reform. The major objective of our ideological and political work is to do effective education work in the light of the actual ideological condition of the units so that the masses of officers and soldiers can correctly understand the various problems arising from the reform and in the course of the reform, be more capable of coping with the situation, and can conscientiously support and promote the smooth development of the comprehensive reform by practical deeds.

LEADERS ATTEND WAR ANNIVERSARY PERFORMANCE

OW070336 Beijing XINHUA Domestic Service in Chinese 1425 GMT 6 Jul 87

[By reporter Huang Zhimin]

[Text] Beijing, 6 Jul (XINHUA) -- Yang Dezhi, Yu Qiuli, Deng Liqun, Liao Hansheng, and other party and state leaders joined some 17,000 people at the Shoudu Stadium to view a cultural performance this evening in commemoration of the 50th anniversary of the "7 July" incident.

Members of nearly 20 literary and art troupes from Beijing, Tianjin, Shanghai, and other places performed such popular anti-Japanese war songs and dances as the "Song of the Guerrillas," "On Taihand Shan," and "War Songs of the Eighth Route Army."

Officials from relevant central party, government, and military departments and Beijing municipality attended the performance.

The performance ended amidst the music of "Let the World Be Permeated With Love."

WAI LI, OTHER LEADERS RESPOND TO PEASANTS APPEAL

OW060805 Beijing XINHUA Domestic Service in Chinese 0541 GMT 2 Jul 87

[Newsletter by JINGJI RIBAO reporter Niu Shouxian, XINHUA reporter Li Haipu: "A Peasant's Letter Delivered to Zhongnanhai"]

[Excerpts] Shengzhou, 3 Jul (XINHUA) -- In May, ripening wheat glittered in the billowing wheat fields of China's vast central plains. Bumper harvests of Henan's 72 million-mu wheat created jubilation among the people. The policy promulgated by the State Council linking contract grain purchases with the supply of chemical fertilizers and diesel oil at a lower price and the payment of purchase deposits had greatly aroused the peasants' initiatives to grow and sell grain to the state. However, before harvesting began in late May, a letter written by a peasant in Guzhuangdian Town of Henan's Fangcheng County unexpectedly arrived in Beijing and was delivered to Zhongnanhai.

The letter was addressed to Premier Zhao Ziyang. The letter reads: "Our higher authorities stipulated 3 kg of low-price chemical fertilizers for 50 kg of wheat. (Note: According to the regulations, 5 kg of low-price chemical fertilizers is to be provided to the peasant for 50 kg of wheat sold to the state by contract.) However, in our town, only 1.73 kg of low-price fertilizers was distributed for 50 kg of wheat. To make things worse, when we went to the fertilizer station, we could only get 1 kg of fertilizer with a 2-kg coupon. In the case of diesel oil, the situation was even more infuriating. According to our town's regulation, the diesel oil coupon was valid only until 20 May, even though the words 'valid until the end of 1987' were clearly printed on it. When the masses rushed to purchase diesel oil before it was too late, they were unable to find someone who would issue the coupon. Many people laid aside their farm work and traveled a great distance to try to get the oil coupon, but they could not find anyone at the station to issue the coupon." The letter continues: "Premier, in fleecing us of several kilograms of diesel oil and chemical fertilizers, the people at the grass-roots level are actually shortchanging the party's correct policy and its concern for the peasants."

The peasant's letter touched the hearts of the leading comrades of the party Central Committee and the State Council. At the time, Premier Zhao was on a foreign tour. However, Comrade Bo Yibo; Comrade Wan Li, acting premier; and Comrade Hu Qili, member of the Secretariat of the CPC Central Committee, all read the letter. Comrade Wan Li gave the letter to Vice Premier Tian Jiyun. Comrade Hu Qili gave the letter to Comrade Du Runsheng of the Secretariat's Rural Policy Research Center.

On the morning of 16 June, Vice Premier Tian Jiyun called principal responsible comrades of the State Planning Commission, the Rural Policy Research Center of the CPC Central Committee Secretariat, the Ministry of Agriculture, Animal Husbandry and Fisheries, the Ministry of Commerce, the Ministry of Chemical Industry, the Ministry of Petroleum Industry, and the Agricultural Bank of China to a meeting at Zhongnanhai. At the meeting, Comrade Tian Jiyun first read the peasant's letter. He solemnly pointed out: The state has spent a large amount of foreign exchange to purchase chemical fertilizers at a lower price. The purpose is to stimulate the peasants' initiative. However, a number of people tried to shortchange the peasants. We must take stern measures against such actions. The problem in Fangcheng County is not an isolated case. We must not let it happen unchecked.

On the afternoon of the same day, the Ministry of Commerce sent special personnel to Guzhuangdian town, where they joined the provincial, prefectural, and county teams in investigating the case. The next day, Commerce Minister Liu Yi led a work group to Henan's rural area to find out how the policy of linking grain purchase with material supply was implemented. [passage on the work group findings omitted]

On the afternoon of 22 June, Guzhuangdian town's Yang Zhang village held a villagers meeting, where Yang Guohan, former secretary of the village party bench, made a self-criticism and returned to the villagers 371.4 yuan, the difference from withheld chemical fertilizers and diesel oil. When the reporters paid a visit to Yang Guoquin at his home in Yangzhuang village, old Yang spoke with deep feeling: "Our family has got all the coupons due to us! The policy is terrific. The party Central Committee truly cares for us ordinary people!"

TIAN JIYUN VIEWS DAXINGANLING FIRE PHOTO EXHIBITION

OW060419 Beijing XINHUA Domestic Service in Chinese 1152 GMT 4 Jul 87

[Text] Beijing, 4 Jul (XINHUA) — A photo exhibition on the forest fire in Daxinganling opened at the Museum of Chinese Revolution in Beijing this morning.

Zhang Aiping, state councillor and deputy secretary general of the Central Military Commission, inscribed a signboard and cut the ribbon for the exhibition. Zhu Xuefan, Liao Hansheng, and other leaders attended the opening ceremony.

Tian Jiyun, Zhou Gucheng, and other leaders previewed the exhibition yesterday. Tian Jiyun said: The exhibition realistically reflects the severity of the disastrous fire and vividly depicts the Army men's love for the county and people as well as their revolutionary heroism in fighting fearlessly to protect state property and people's life, thus displaying the superiority of China's socialist system and communist spirit of cooperation. Speaking highly of the meritorious services performed by the large number of PLA commanders and fighters while trying to extinguish the fire. Tian Jiyun said: We depend on the PLA to safeguard the country as well as to help victims of earthquakes, flood, and other natural disasters. The forest fire has once again proven the PLA's fighting power.

SONG JIAN ON DEVELOPING BASIC SCIENTIFIC RESEARCH

OW051954 Beijing XINHUA Domestic Service in Chinese 1308 GMT 3 Jul 87

[By reporter Zhuo Peirong]

[Text] Beijing, 3 Jul (XINHUA) — Addressing a recent meeting of the State Natural Science Awards Committee, Song Jian, state councillor and minister of the State Scientific and Technological Commission, said: To expedite basic science research, relevant state departments are studying policies and measures aimed at ensuring steady development of basic science.

Song Jian said: In recent years we have persisted in applying science and technology to economic construction, and deployed the bulk of scientific and technological forces to attain the strategic objective of quadrupling the total industrial and agricultural output by the end of this century. Our efforts have received enthusiastic support from the scientific and technological circles. However, some comrades worry whether basic science research will be neglected. In reality, it will not be. Except for during the decade of domestic turmoil, the state has always attached utmost importance to basic science research. The CPC Central Committee's decision on scientific and technological reform has clearly stipulated that, to maintain steady development of basic science research, the state has especially established the natural science fund and has appropriated funds for the establishment of a number of state laboratories. All these measures are for the purpose of accelerating basic science research. The major breakthrough that China made in superconductor research between the end of 1986 and early this year was a result of the state's longstanding attention to basic science research.

He pointed out: An essential part of modern science and technology, basic science research is significant for promoting China's scientific and technological development, augmenting scientific reserves, tapping China's unique natural resources, and training new scientists.

Experience shows if a nation is unable to observe and handle problems with the latest scientific know-how, it cannot possibly stand tall among other nations in the world. Though China is still economically underdeveloped, we have the capacity to maintain and train a contingent of proficient basic science researchers who can keep pace with and assimilate the world's latest scientific achievements and ideas. Of course, considering the nation's limited financial resources and the fact that the research and development must be intensified in our country's industrial and agricultural production, our basic scientific research must focus on developing those projects that are essential for developing the national economy and production technique and utilizing China's resources, projects that can be achieved in the near future, and projects that carry significant scientific potential. Meanwhile, we must selectively participate in world-class research and work hard to achieve fruitful results.

He told the reporter: Scientific and technological plans have largely been made after years of hard work. More than 1,000 projects under 76 categories specified in the state's Seventh 5-Year Plan have all been carried out; good results have been achieved in the "spark project" and in aiding the poor through scientific and technological expertise; and the program for high technological development has also been started. It is time now to formulate a policy on strengthening basic science and applied science researches. Along with the improvement of the policy for scientific and technological development, the scientific and technological work at all levels is bound to develop in a coordinated manner.

ZHANG AIPING REDEDICATES WAR RELICS MEMORIAL HALL

OW060331 Beijing XINHUA Domestic Service in Chinese 1125 GMT 5 Jul 87

[By reporter Zhou Kejin]

[Excerpts] Beijing, 5 Jul (XINHUA) -- The relics of Jiaozhuanghu Tunnel War in Beijing have been revamped and renovated. A ceremony to mark the completion of renovation work was held today. The relics memorial hall will be reopened soon.

Jiaozhuanghu Village, located in Shunyi County in the northwest of Beijing Municipality, became part of the CPC-led base area in eastern Hebei in the War of Resistance Against Japan in 1940, and the earliest tunnel warfare was fought in the village. [passage omitted] In August 1979, the ruins of the Jiaozhuanghu Tunnel War were designated key cultural relics of Beijing Municipality. After the renovation work was started in 1986, a five-story high observation tower, used by the militiamen during the war to observe enemy movements, was rebuilt. Defense Minister Zhang Aiping has inscribed the signboard for the memorial hall of the relics.

ECONOMIST ANSWERS QUESTIONS ON SOCIALISM, REFORM

HK050622 Beijing JINGJI RIBAO in Chinese 16 Jun 87 p 3

[Article by Wu Yufeng (0124 1342 1946): "What 'Additional' Things Should Be Eliminated -- Record of Remarks by Noted Economist Liu Guoguang"]

[Text] Several days ago our reporter had an interview with Liu Guoguang, noted economist and deputy director of the Chinese Academy of Social Sciences, on the issue of stepping up theoretical study on reforms.

Reporter: Some comrades from the grass-roots units have reported that they have implemented some advantageous measures to tap the potential of enterprises and enhance economic results. However, there are various views in society. These comrades are not sure what is socialism and what is capitalism. Can you talk about this problem?

Liu: This is a question of traditional concepts. We have done some work clarifying traditional concepts in the past, but it was not enough. Now while we are exploring deeper the question of reform theory, we must further clarify current views and concepts, to have a clear understanding of what real socialist things are and the additional things are. This is one of our important tasks at present.

Reporter: How do you define the so-called additional things?

Liu: This means to attach things which are originally non-socialist to socialism, and treat them as parts inherent in socialism. This has become a stagnant concept in people's minds.

Reporter: What are the major manifestations?

Liu: I think there are three major manifestations in the economic field. The first is the economic management system. Some people advocate the concept of the more centralized, the better, and think that socialism means to follow mandatory planning and practice the ration system. In fact, any defense commander will practice this highly centralized ration system when his city is surrounded. Hitler practiced this highly centralized system. Capitalist countries such as the United Kingdom and Japan practiced this centralized economic system during wartime.

Reporter: How do we distinguish the highly centralized system which is commonly practiced in socialist countries?

Liu: The economic system practiced in various socialist countries, including China, is basically inherited from the Soviet Union. That country built socialism amid imperialism and wars against imperialism for 20 to 30 years; thus there are traces of wartime or war preparations in many aspects. The highly centralized system formulated against such an historical background was necessary at that time. It also played some positive role and was accepted by people for a long time. For a long period of time, our country not only judged the country's class struggle as excessively sharp but also took a serious view of international class struggle and thought that a world war was inevitable. Therefore, we gave war preparations top priority in economic construction. However, this is not the characteristic of socialism. In a sense, this is only a defense and war preparation economy. Thus, socialist countries are carrying out general reforms to overcome the weakness of over-centralization.

Reporter: This is the manifestation in management system. Are there any more?

Liu: The second manifestation is in the ownership of means of production, with people advocating things which are "large in size and collective in nature," thinking that the larger, the more collective, and the purer, the better, with this being closer to socialism. Under the influence of this idea, people do not first focus on the development of social productive forces but continue to adjust and change the relationship of production. [paragraph continues]

That is, whole-people ownership is better than large collectives, which are better than small collectives. They practice "paupers' transition" which is divorced from the actual development level of productive forces. Another manifestation is in distribution. People think that socialism is about equality, that is equalitarianism, or "eating from the same big pot." They think the more equal, the better.

Reporter: While we are talking about these problems, I would like to ask about the past slogan: "We prefer poor socialism to rich capitalism." What is your opinion on this so-called "poor socialism?"

Liu: Poverty is definitely not an attribute of socialism. A new and superior social system should create higher labor productivity than the old one. The first task of a socialist society is to make all possible effort to maintain the development of social productive forces, and continually satisfy the ever increasing material and spiritual needs of all people. The line and principle formulated at the 3d Plenary Session of the 11th CPC Central Committee are ultimately for the better development of social productive forces. This is also a major sign of whether we are progressing or regressing.

Reporter: I have mentioned that some grass-roots cadres are not sure of how things stand, such as how to treat questions like leasing and contracted responsibility. What is your opinion.

Liu: The above mentioned are additional things to socialism. Of course, we have only talked about certain major aspects. I think there is another thing which goes in the opposite direction that merits our attention. That is, attaching non-capitalist things to capitalism. For example, you just mentioned questions like leasing and contracted responsibility. Some people think leasing and contracted responsibility. Some people think leasing and contracted responsibility are private ownership, which is capitalism. In fact, all these are forms of separating ownership from the owners of operation, and are applicable in both capitalism and socialism; state ownership and operation does not necessarily mean socialism. Leasing and contracted responsibility will not cause basic changes in the system of ownership so long as we do not change the ownership and can stop the practice of putting property under ownership by the whole people into property under ownership by small units and property under ownership by small units into private ownership. Our state-owned enterprises are practicing leasing and contracted responsibility, yet the means of production still belong to the state. There is no change in the nature of ownership by the whole people.

Reporter: What harm will the additional things bring about?

Liu: Formed a long time ago, this concept appears right but is really wrong. There is great inertia in it, and it seriously confines people's thinking, and hampers the progress of economic reform and the perfection of the socialist system. Therefore, this concept is not beneficial to the development of socialist productive forces, and we must conscientiously clarify and overcome it. We do not uphold these additional things. To clarify the eliminate the additional things is beneficial not only for promoting opening up and reform but also for upholding the four cardinal principles.

PROMULGATED NEW CUSTOMS LAW DEFENDING OPEN POLICY

HK061425 Beijing RENMIN RIBAO in Chinese 2 Jul 87 p 2

[Commentator's article: "A Powerful Weapon for Safeguarding and Promoting Opening Up"]

[Text] With the approval of the State Council, the "Detailed Rules and Regulations on Disciplinary Sanctions Against Violation of the PRC Customs Law" (hereinafter "Rules and Regulations") promulgated by the General Administration of Customs came into force with the "PRC Customs Law" (hereinafter "Customs Law") on 1 July.

Practice in recent years has proved that the wider we open the door to the outside world and the more we invigorate the economy, the more we should perfect the legal system and strengthen supervision and management. Those who take advantage of opening up and economic invigoration by engaging in illegal offenses will be thoroughly investigated and sternly punished. With the stipulations of the "Customs Law" on legal responsibility as the basis, and in connection with the actual problems concerning entry and exit management under the situation of opening up, the "Rules and Regulations" make definite and specific stipulations on taking disciplinary sanction against smuggling and violation of the customs control system and on the procedures to appeal against the sanction. It will be of great significance to the correct implementation of the "Customs Law" and to safeguarding and promoting the open policy.

According to the principles established in the "Customs Law," the "Rules and Regulations" fully manifest the principle of sternly punishing major smuggling and illegal activities, and the policy of "education and punishment with the stress on the former," so as to concentrate forces to suppress activities that attempt to sabotage opening up. Regarding the procedures of appeal against sanctions, the "Rules and Regulations," based on "Customs Law" stipulations, clearly defines the terms of reconsideration by the customs houses for the sake of safeguarding the legitimate rights of the person concerned. This fully embodies the principle of socialist democracy and the legal system.

The purpose of the measures adopted by the customs to punish smuggling and illegal activities is to correctly implement the policy of reform, opening up, and economic invigoration; ensure the enforcement of the policies, laws, and regulations of the state; maintain socialist economic order; promote the healthy development of foreign economic trade and scientific, technological, and cultural exchanges; and serve the building of socialist material and spiritual civilizations.

To effectively implement the laws and regulations, strict enforcement by the competent departments, the conscientious observance of the masses, and the support of the departments concerned are required. We hope that all localities and departments will vigorously support the functions performed by the customs houses according to law, and that the people who enter or exit and the units concerned will consciously abide by the laws and cooperate with the work of the customs. All customs personnel should strictly abide by the stipulations of the "Customs Law" and "Rules and Regulations" concerning their execution, honestly perform their official duties, enforce the laws, and guard the pass in a civilized manner.

RENMIN RIBAO CARRIES HONGQI NO 13 TABLE OF CONTENTS

HK061050 Beijing RENMIN RIBAO in Chinese 1 Jul 87 p 5

["Table of contents for HONGQI No 13, 1987"]

[Text] Article by Deng Xiaoping: "On the Reform of the System of Party and State Leadership (18 August 1980)"

Editorial: "A Programmatic Document Guiding China's Political Structural Reform"

Commentator's article: "Pay Attention to Removing Interference From Two Quarters, and Resolutely Carry Out the Policy of Reform and Opening Up"

Article by Chen Xitong: "The Key to Deepening the Reform of Enterprises Is To Arouse the Socialist Enthusiasm of Laborers"

Article by the State Statistical Bureau: "Statistical Data on the Achievements of 8 Years of Economic Structural Reform (I)"

Article by Shi Ziaoyan: "Glorious Starting Point for the Recovery of the Divine Land -- In Commemoration of the 50th Anniversary of the '7 July' Lugouqiao Incident in the War of Resistance Against Japan"

Article by Gu Mingyuan: "Enlightenment From the Development of Education Throughout the World:

Article compiled by HONGQI Theoretical Education Editorial Office: "Explanations of Certain Important Theses in the Enlarged Edition of 'Building Socialism With Chinese Characteristics': III. Reforms, Opening Up, and Reinvigoration of the Economy (Part I)

Article by Tang Xingshun: "'Rules' Are No Decorations"

Article by Peng Jiajin: "Deep Family Love -- Watching Teleplay 'Family Love'"

Article by Duan Minggui: "Random Talk on 'Knife Sharpening'"

Article by Zyang Shigu: "An Immortal Pioneering Work -- Reading 'History of Socialism'"

Artistic photography: Comrade Deng Ziaoping (photograph) by Wei Jianguo, and Faith (oil painting) by Xiao Jidong.

COMPARISON ON DENG 1980 SPEECH ON LEADERSHIP REFORM

HK020842 Beijing RENMIN RIBAO in Chinese on 1 July 1987, carries on pages 1 and 2 a 14,000 character speech by Deng Xiaoping entitled "On the Reform of the System of Party and State Leadership (18 August 1980)." This version has been compared with 2 July 1983 RENMIN RIBAO Chinese version of speech published in the 6 July 1983 China DAILY REPORT, p K 1, revealing the following addition and renumbering to account for addition:

Page K 14, paragraph 5, last line, reads///also be strengthened. [new paragraph]

4. Efforts will be made to change the plant director responsibility system and the manager responsibility system under the leadership of the party committee in a prepared and step-by-step way and, after experiments in some localities, to gradually popularize and separately implement the plant director responsibility system and the manager responsibility system under the leadership and supervision of a joint committee composed of the plant management committee, the company's board of directors, and the integrated economic establishment [JING JI LIAN HE TI 4842 3444 5114 0678 7555]. Consideration will also be given to reforming in a prepared and step-by-step way the systems of responsibilities of school principals, academy presidents, and institute directors under the leadership of the party committee. As proved by a long period of practice, the previous plant management system is not conducive to the modernization of plant management and the industrial management structure, nor is it in the interest of perfecting party work in the plant. These reforms are aimed at enabling the party committee to get rid of routine affairs [BAI TUO RI CHANG SHI WU 2369 5192 2480 1603 0057 0523] and concentrate its efforts on ideological and political work and organizational and supervisory tasks. This is not to weaken the party's leadership but is to improve and strengthen the party's leadership more successfully. Responsible administrative persons of these units should strive to study various specialized subjects on management and technology. They should not continue to be long submerged in various meetings and remain laymen forever. In that case, we can never achieve modernization. The overwhelming majority of these comrades are party members. Once the management system is changed, they must, in addition to subjecting themselves to the administrative leadership of higher administrative departments, also accept the political leadership of higher party organs and the supervision of party organs of the same level. The responsibilities are not reduced either; instead, the party's work is actually strengthened. Party committees at all levels of factories, companies, academies, schools, and institutes must manage all party members well and do a good job in mass work so that party members will play an exemplary vanguard role in their respective posts and so party organs will truly become the backbone of enterprises and establishments and organs that educate and supervise all party members in order to ensure the implementation of the party's political line and the fulfillment of the party's tasks. In view of the great impact of this reform on the vast number of grassroots organizations throughout the country, we must still solicit opinions from all sides and make a decision when conditions mature. [new paragraph] 5. All enterprises and///(supplying additional passage, changing number "4" to "5")

Same page, paragraph 6, last line reads///the appropriate scope. [new paragraph] 6. Party Committees at///(changing number "5" to "6").

Page K 15, paragraph 2, line 1 reads///study the above-mentioned six points, consciously and///(changing "five" to "six").

HAN PEIXIN ATTENDS JIANGSU COMMENDATION MEETING

OW030416 Nanjing Jiangsu Provincial Service in Mandarin 0915 GMT 30 Jun 87

[Excerpt] The party committee of provincial organs held a meeting to commend 49 advanced party branches and 310 outstanding party members in Nanjing this morning. Some 1,000 people attended the meeting. They included leaders of the provincial party committee and the provincial Advisory Commission Han Peixin, Gu Xiulian, Sun Han, Chen Huanyou, Liu Lin, and Gu Hao; responsible persons of various departments, commissions, offices and bureaus; and responsible persons of primary party organizations. [passage omitted]

JIANGSU'S HAN PEIXIN ADDRESSES GRASS-ROOTS UNITS

OW060401 Nanjing Jiangsu Provincial Service in Mandarin 0915 GMT 2 Jul 87

[Excerpts] Organs directly under the provincial authority held a meeting in Nanjing on the afternoon of 2 July to report on the work of the first group of cadres sent to grass-roots units in northern Jiangsu. [passage omitted]

Han Peixin, secretary of the provincial party committee, spoke at the meeting. He said: This year's experience has attested to the correctness of the decisions of the provincial party committee and the provincial government to send cadres to work at grass-roots units. It is necessary to review experiences in this respect on a regular basis and continue this practice as a long-term policy.

Comrade Han Peixin noted: The dispatch of cadres from organs directly under the provincial authority to work at grass-roots units in northern Jiangsu is intended to speed up the development of northern Jiangsu and to facilitate Jiangsu's implementation of the Seventh 5-Year Plan. It is also designed to cultivate and temper cadres; to promote the rapid growth of young and middle-aged cadres; to further improve the work style of organs; and to render better service to the masses and grass-roots units.

Comrade Han Peixin hoped that all departments and units attached to the organs directly under the provincial authority will handle the dispatch of cadres as an important task, conduct serious overviews of their experiences in the past year, strengthen management and guidance in this regard, and bring constant improvements to this effort.

CPC ADVISORY COMMISSIONERS MEET IN JIANGXI 3-9 JUN

OW060159 Nanchang Jiangxi Provincial Service in Mandarin 1000 GMT 30 Jun 87

[Text] The seventh meeting of the East China Group of the Advisory Commission of the CPC Central Committee took place in Lushan 3-9 June. Attending by meeting were Wang Yiping, Kong Shiquan, Bai Dongcai, Jiang Weiqing, Li Fengping, Du Ping, Chen Guodong, Xiao Wangdong, Zhao Lin, Rao Shoukun, Xia Zhengnong, and Wei Jinshui, members of the CPC Central Committee Advisory Commission.

The meeting was called and chaired by Bai Dongcai.

The participants' two main topics of discussion were: Studying how to intensify the struggle against bourgeois liberalization, and how to intensify reforms.

They maintained: Since the convocation of the 3d Plenary Session of the 11th CPC Central Committee, China has achieved tremendous successes that have attracted worldwide attention, and everyone is pleased with the achievements. To build a socialist society with distinctive Chinese characteristics, Chinese people must firmly adhere to the two basic points -- upholding the four cardinal principles; and upholding the policies for reforms, opening to the outside world, and invigorating the domestic economy -- and building a stronger party is the basic guarantee for attaining this objective. In light of this theme, the participants studied and discussed issues on building a stronger party and improving party leadership during the new period.

They said: The guidance for party building is: Party building during the new period must be conducted in such a way that it can ensure the implementation of the policies adopted since the 3d Plenary Session of the 11th CPC Central Committee. Regarding ideological construction, constant attention must be paid to combating left and right tendencies because if we ignore any one of them, overall state and social stability cannot be ensured. The influence of leftist ideology, however, has been long, and leftist habits have deep roots. We must therefore especially emphasize the need to guard against and combat the influence of ossified leftist thinking so as to expedite reforms.

Of the various party building projects, the most important one is to build stronger leading bodies. To this end, we must continue to uphold the principle that cadres must be more revolutionary, better educated, younger in average age, and professionally more competent, as well as the principle that cadres must have both ability and political integrity, and that they must follow the tradition of serving the same objective regardless of what part of the country they come from.

As far as party conduct is concerned, party member-cadres must be required to act as role models. They must strive to heighten their political consciousness and ideological quality, keep firmly in mind their objective of serving the people wholeheartedly, continue to eradicate the residues and influence of feudalistic ideas and decadent bourgeois ideas and their influence, take the initiative in combating unhealthy tendencies. Earnest efforts must be made to improve and adhere to the principles governing the party's democratic centralism. The CPC's experiences, the bitter lessons of the Cultural Revolution, and the grim realities of the past several years fully indicate that it is urgent that we improve the defective democratic life within the party, and that rules and regulations for controlling and supervising leading cadres at all levels are indispensable.

Separating party and government administration will help change these longstanding habits: Having no distinction between party and government affairs, and substituting party organs for government organs, thus letting everything be monopolized by the party. Party and government organs must have their respective roles, work, and responsibilities so that party committees can devote their time and energy to exercising leadership over ideological and political matters, major decisions, and other party affairs.

Guidance for economic work must be realistic. Since China is in the initial stage of socialism, its urgent work is to make great efforts to boost productivity and speed up economic construction. However, there should be no attempts to seek quick success, instant benefits, or high growth without regard to economic returns. There should be no attempt to seek unrealistically high goals. We should respect reality and do what is within our capability. We should carry forward the revolutionary spirit of Jinggangshan and the fine traditions of carrying out arduous struggle and undertake all projects diligently and thriftily.

Although the participants are old and have retreated to the second line, they are still eager to contribute what they can for the party. During the discussion, they examined the actual situation and expressed their views accordingly; the scene was lively and touching. They unanimously pledged that they would join all party members and party member-cadres and spare no effort in helping in the great cause of building the party during the new period.

When the meeting was in session, Wan Shaofen, Wu Guanzheng, Liu Fangren, Xu Qin, Zhao Zengyi, Di Sheng, Liu Zhonghou, and other leading comrades of the Jiangxi Provincial CPC Committee, the provincial Advisory Commission, and the provincial people's government, visited the participants. Wan Shaofen, secretary of the Jiangxi Provincial Party Committee, also briefed the participants on the construction of old revolutionary bases in Jiangxi as well as their future development plans.

WAN SHAOFEN SPEAKS ON BOOK ABOUT JIANGXI

OWO60451 Nanchang Jiangxi Provincial Service in Mandarin 1000 GMT 3 Jul 87

[Excerpts] The compiling and editing of the volume on Jiangxi of the series of books entitled "Contemporary China" is now in full swing. A session was held in Nanchang on 30 June to compile and edit this volume. Wan Shaofen, secretary of the provincial CPC Committee, worked as chief editor, while Fang Zhichun, Bai Dongcai and Zhao Zengyi served as advisors to the committee. [passage omitted]

Wan Shaofen addressed the committee session. She said: The series of books entitled "Contemporary China" which the Secretariat of the CPC Central Committee decided to compile and publish reflects the history of socialist construction in China with emphasis on economic construction. It is the first of its kind in the 30 years since the founding of New China.

In her speech, Wan Shaofen called for efforts to promptly fulfill the task of compiling and editing the volume on Jiangxi. She said; In order to achieve this goal, we must pay attention to the following three aspects:

1. We must follow a correct guiding ideology. We should use Marxism-Leninism-Mao Zedong Thought as a theoretical weapon, and as guidance we should use the line, principles and policies laid down since the 3d Plenary Session of the 11th CPC Central Committee, the resolution on certain questions in the history of our party since the founding of the People's Republic of China adopted by the CPC Central Committee, and the documents of the 12th National CPC Congress. In close connection with the actual situation in Jiangxi, we must realistically review Jiangxi major achievements in socialist revolution and construction, sum up our experiences both positive and negative, and work out our plan for the development of Jiangxi's socialist modernization program. In the course of compiling and editing this volume, we must firmly grasp the two essential points. One is adherence to the four cardinal principle and the other is implementation of the policies of reform, opening to the outside world, and invigorating the domestic economy.

2. We must compile more historical reference material.

3. We must compile the volume so that it will be marked by a distinctive local style and flavor. Taking the overall situation into consideration, we must review Jiangxi's socialist construction and point out its strong points and special characteristics by comparing Jiangxi with other provinces throughout the country.

SHANDONG'S LIANG ON CHANGES IN PEOPLE'S GOVERNMENT

SK030157 Jinan Shandong Provincial Service in Mandarin 2200 GMT 2 Jul 87

[Text] According to a decision adopted at the 26th Standing Committee Session of the 6th Shandong Provincial People Congress, which concluded on 2 July, Jiang Chunyun, at the age of 57, has been appointed vice governor of the province and authorized to act as governor of the province. The session has accepted the resignation of Li Changan, former governor of the province, who was transferred to a post in the State Council.

During the session, Liang Buting, secretary of the provincial party committee, delivered a speech in which he put forward the suggestions made by the provincial party committee on the changes of principal responsible personnel in the provincial people's government.

The session also approved the resolution on other personnel changes and the decision on the quota of end-of-term deputies of the People's Congresses at district and city levels. The session was satisfied with reports given by the provincial Scientific and Technological Commission, the provincial Judicial Department, and the provincial Public Security Department and decided to further revise the draft regulations of the province's secondary vocational education and the province's draft measures for implementing the PRC's fishery law and to submit these revised regulations and measures to the next session for examination and consideration.

Li Zhen, chairman of the provincial People's Congress Standing Committee, and Xu Leijian, vice chairman of the provincial People's Congress Standing Committee, respectively presided over the session held in the morning and in the afternoon.

SHANGHAI'S RUI XINGWEN SPEAKS AT FORUM ON CPC

OW060035 Shanghai City Service in Mandarin 2200 GMT 30 Jun 87

[Text] The Organization Department and the Propaganda Department of the Shanghai Municipal CPC Committee sponsored a large forum in the banquet hall of the Shanghai Exhibition Center on the afternoon of 30 June to ceremoniously mark the 66th anniversary of the founding of the CPC. Present at the forum were 350 CPC members from various fronts in Shanghai. At the meeting, 18 comrades told about their feelings and experiences and pledged their determination to stand in the vanguard of the reform and promote it.

Comrade Rui Xingwen told about his experiences and said: After 66 years, the CPC has become even more mature today. It is leading the people throughout the country in building socialism with Chinese characteristics, socialism with developed productive forces, and greater prosperity. Facts show that since the 3d Plenary Session of the 11th CPC Central Committee, we have found a way to develop the productive forces with a general policy of upholding the four cardinal principles and persisting in carrying out reforms, opening to the outside world, and invigorating the economy. A bright future is unfolding before our eyes.

Quoting Comrade Bo Yibo, Rui Xingwen said: I hope that all Communists in Shanghai will mark the party's 66th anniversary with actions to promote, take part in, and carry out reforms.

Jiang Zemin said in his speech: The CPC members should always remember the CPC's purpose of serving the people, love their jobs, and strive to improve vocational skills. Under the present circumstances, all Communists must uphold the four cardinal principles, uphold the policy of carrying out reforms, opening to the outside world, and invigorating the economy, and play an exemplary vanguard role.

Also present at the forum were Wu Bangguo, Zeng Qinghong, and Wang Liping, deputy secretaries of the municipal party committee. The meeting was co-chaired by Zhao Qizheng, director of the Organizational Department of the municipal party committee; and by Sun Gang, deputy director of the Propaganda Department of the municipal party committee.

SHANGHAI LEADERS ADDRESS PARTY DELEGATE CONFERENCE

OW060055 Shanghai City Service in Mandarin 1000 GMT 27 Jun 87

[Text] The Shanghai municipal conference of party delegates took place at the Shanghai Exhibition Center 25-27 June. The conference elected 73 delegates as deputies to the 13th National Party Congress.

A total of over 600 party delegates attended the conference. Entrusted by all the party organizations in Shanghai, the participants fully deliberated the credentials of the candidates for the National Party Congress and elected the 73 from a larger group of candidates during the afternoon, solemnly executing their democratic rights.

Prior to the conference, party organizations at all levels in Shanghai had already repeatedly deliberated the candidates' credentials. Many delegates maintained that the election was another indication of inner-party democracy.

At the request of the Shanghai Municipal CPC Committee, Comrade Rui Xingwen, secretary of the municipal party committee, delivered a work report at the conference. After analyzing Shanghai's situation during the first half of the year, he said: The 13th National Party Congress is scheduled to take place in October. We must actively and seriously study and publicize the guidelines set forth by the congress, and implement them in our work. During the next 6 months, we must intensify the positive education on upholding the four cardinal principles, and continue to combat bourgeois liberalization in a pervasive, sustained, and effective manner. We must continue to intensify reforms, open wider to the outside world as well as to other parts of the country, and continue to strengthen the movement to increase production, practice economy, raise revenues, and curtail expenses. We must make an effort to improve economic performance, consolidate and develop the results of party rectification, strengthen party building, ensure the correct implementation of the party's lines, principles, and policies, and do a still better job in all fields.

Comrade Rui Xingwen also announced specific plans for accomplishing the above-mentioned projects.

On behalf of the Shanghai Municipal CPC Committee, Comrade Wu Bangguo, deputy secretary of the municipal party committee, made a summing-up report on Shanghai's party rectification. he said; Shanghai's party rectification -- a project that lasted 3 and 1/2 years -- was a sound one. All the anticipated projects were basically accomplished. Party rectification has expedited reforms, the work of opening to the outside world, economic development, and the work in various other fields. Tempered by party rectification, leading bodies at all levels have gained new experiences in building the party and carrying out ideological and political work during the new period. However, there are still many unresolved problems, some of which are quite serious.

Wu Bangguo said: Although party rectification in Shanghai is over, party organizations at all levels should not slacken their efforts. They must continue to solve the problems that have not been resolved during party rectification. While performing their daily duties, they should make full use of the valuable experiences gained from party rectification and make continual efforts to advance party building.

Prior to the convening of the municipal conference of party delegates, an enlarged Fourth Plenary Session of the Fifth Shanghai Municipal CPC Committee was held 23-24 June.

RUI XINGWEN INAUGURATES SHANGHAI WATER PROJECT

OW060449 Shanghai City Service in Mandarin 2200 GMT 1 Jul 87

[From "Morning News" program]

[Excerpts] The first phase of the project to draw water from the upper reaches of the Huangpu Jiang was completed and began to supply water on 1 July. The project is a basic urban facility on which Shanghai is spending an unprecedentedly large amount of money. It will benefit a great many Shanghai residents. [passage omitted]

At 0937 on 1 July, Rui Xingwen, secretary of the Shanghai Municipal CPC Committee, happily pushed a button in the control room of the Lingiang pumping station and turned on its No 3 pump to draw water from the Lin Jiang [in the middle reaches of the Huangpu Jiang] [passage omitted]

Rui Xingwen said: The first phase of the project involves drawing water from the middle reaches of the Huangpu Jiang. We should continue to do a good job in the second phase, which involves drawing water from the upper reaches of the river, so that Shanghai residents will have even better drinking water. [passage omitted]

At the 1 July water drawing ceremony, Mayor Jiang Zemin, on behalf of the municipal party committee and the municipal government, extended his warm congratulations to the designers and builders who have made great contributions to the construction of the project. [passage omitted]

Also present at the ceremony were leaders of the municipal party committee, the municipal People's Congress Standing Committee, the municipal government, the municipal CPPCC Committee, and PLA units in Shanghai Yang Di Sun Guizhang, Ping Changxi, Wang Liping, Ni Tianzeng, Ye Gongqi, Xu Yifang, Zhou Bi, Yan Meixiang, Song Zhongwen, Wang Yan, Lu Shouyan and Sui Xinhui.

Chu Chuanheng, vice minister of urban and rural construction and environmental protection, made a special trip to Shanghai to attend and address the water-drawing ceremony.

QINGHAI'S YIN INSPECTS CHEMICAL FACTORIES

HK040531 Xining Qinghai Provincial Service in Mandarin 0430 GMT 4 Jul 87

[Text] On 25 June, provincial CPC Committee Secretary Yin Kesheng, Deputy Secretary Lu Shengdao, and responsible persons of provincial departments concerned inspected the Qinghai Liming and Guangming chemical plants. Comrade Yin Kesheng fully affirmed the major contributions of these two plants in the development of the chemical industry in Qinghai, and spoke on various issues such as deepening enterprise reform.

Comrade Yin Kesheng said: In carrying out production, it is essential to firm up the raw materials and finished products markets. The development of new products must be based on the province's own resources. In particular, it is necessary to carry out serious study, demonstration, and proof in developing the salt chemical and petrochemical industries. It is necessary to mobilize the staff and workers to participate in enterprise management and form a complete and systematic management foundation. Only thus is it possible to produce talented people and consolidate and gradually perfect strict management systems.

In addition, through launching extensive ties with other places and tapping enterprise potentials, the enterprises should improve their economic and social results.

QINGHAI'S YIN ADDRESSES PARTY REPRESENTATIVES

HK060551 Xining Qinghai Provincial Service in Mandarin 0430 GMT 6 Jul 87

[Excerpts] The Qinghai provincial party representatives conference concluded yesterday after fulfilling all its tasks during its 4 day session. The participants seriously studied Comrade Deng Xiaoping's important article "Reform of the Party and State Leadership System" and the 1 July RENMIN RIBAO editorial. In the spirit of being highly responsible to the party and people, after serious and repeated discussion, they elected 21 Qinghai delegates to attend the 13th Party Congress. [passage omitted]

Provincial CPC Committee Secretary Yin Kesheng made an important speech at the closing session entitled "Deepen the Reforms and Promote Construction." He first reviewed and summed up the achievements of the province since the 3d Plenary Session of the 11th CPC Central Committee in seriously implementing the principle of reform, opening up, and invigoration under the premise of adhering to socialist principles. He said: Reform has brought about profound changes in people's mental outlook. It has greatly stimulated the 'masses' enthusiasm, emancipated the productive forces, and promoted the development of production and construction and the prosperity of the urban economy.

Comparing 1986 with 1978, the province's total social output value rose by 106.3 percent, industrial and agricultural output value rose by 54.6 percent, national income increased by 188.3 percent, and retail sales volume rose by 160 percent.

These facts fully prove that tremendous achievements have been scored during the 8 years of reforms, and that the road we are following is correct.

On further deepening the reforms, Yin Kesheng said: Reviewing the path we have followed in recent years, reform has encountered resistance from the left and interference from the right. Our principle is to oppose leftism or rightism, whichever is appropriate, and to persevere in the two-front struggle. Judging by the present situation in Qinghai, the main resistance to deepening the reforms comes from traditional habitual forces and from the constraints of outdated, stagnant, and ossified concepts, that is, from leftist influences.

Yin Kesheng said: In eliminating leftist influences, overcoming outdated and ossified concepts, and enhancing understanding of reform, we must first organize the party-member cadres to seriously study and grasp Comrade Deng Xiaoping's thought. Second, we must step up media propaganda for reform, to enable the party members, cadres, and masses to understand the achievements of reform in practice and its development in theory, to deepen comprehension of reform, and to enhance their psychological acceptance of reform.

Third, we must deepen reform and apply the actual results of reform to enable people to realize that reform is the fundamental way out for invigorating the nation, making the country rich and powerful, making the people affluent, and promoting social progress.

On political structural reform, Yin Kesheng said: At present, we should focus on studying Comrade Deng Xiaoping's important speech on the reform of the party and state leadership system and other relevant central documents, to fully realize the necessity and urgency of political structural reform and make ideological and public opinion preparations. We must also do a good job in investigation and study and do some foundation work for formulating the province's political structural reform scheme after the 13th Party Congress.

Yin Kesheng said: Qinghai has many things to do, and our tasks are very heavy. We are also facing many difficulties. We must not be impatient for success, advance blindly and rashly, and do things for which the conditions are not yet ripe, heedless of the reality of Qinghai's economic and technical backwardness and poor communications; neither must we rest content with being backward, behave in an apathetic fashion, and make no attempt to wage arduous struggle and work hard to forge ahead. We must establish the idea of waging long-term arduous struggle, firm up our confidence in transforming the province, and unite and lead the people of all nationalities to be still more bold in reform and opening up and make unremitting efforts to overcome all difficulties. We should make a success of all our tasks. [passage omitted]

Song Ruixiang, deputy secretary of the provincial party committee, also spoke at the concluding session.

XINJIANG LEADERS STRESS IMPORTANCE OF OIL INDUSTRY

HK050227 Urumqi Xinjiang Regional Service in Mandarin 1200 GMT 4 Jul 87

[Excerpts] On 2 July, Wang Enmao, vice chairman of the CPPCC and chairman of the regional Advisory Commission; Song Hanliang, secretary of the regional party committee; and other leaders of the party and government in the region and the Xinjiang Production and Construction Corps braved the fierce heat to visit and extend regards to the cadres and workers at the Junggar east oilfield. [passage omitted]

The Junggar east oilfield is another oil and gas field of great prospects located in Xinjiang, where the Karamay field was also discovered. Since 1981, the cadres and workers have worked hard in great heat and bitter cold in making new contributions to China's petroleum industry and to the development of Xinjiang's economy. [passage omitted]

After hearing a report from the oilfield's leaders, Wang Enmao said: Xinjiang has great prospects for developing the petroleum industry. The exploitation and construction of the Junggar east oilfield shows that the region's petroleum industry has developed to a brand-new stage. This is of great significance for the whole country and the region. [passage omitted]

Song Hanliang said in his speech: The exploitation of the Junggar east oilfield means that Xinjiang has another petroleum production base in addition to Karamay. The region and the production and construction corps must vigorously support the exploitation and construction of new oilfields. He expressed the hope that the workers will make still greater efforts, set high standards, and insist on high quality and good results in building up the oilfield.

Guo Gang, political commissar of the Xinjiang Production and Construction Corps; Xiao Guiqing, secretary of the Changji Autonomous Prefecture CPC Committee; and Zhang Yi, secretary of the party committee of the Xinjiang petroleum administrative bureau, also spoke. [passage omitted]

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